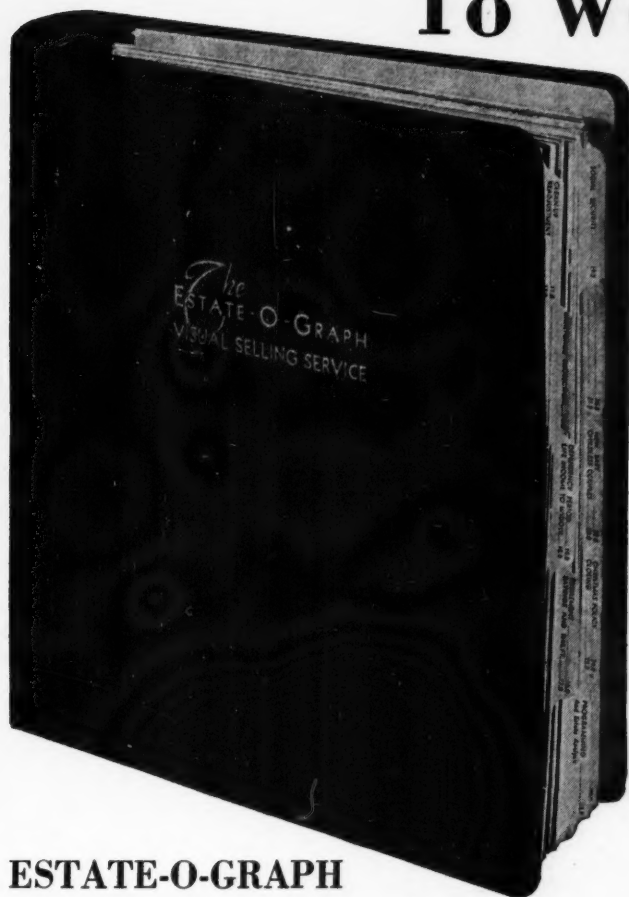


The NATIONAL UNDERWRITER

Life Insurance Edition

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USES

As a monthly mailing to better clients, good prospects or centers of influence. To Mail to selected prospects in advance of a call. To use as Visual Sales Material. To illustrate briefs and proposals *By General Agents and Home Offices*. To mail to agents as educational, motivating or Visual Sales Material or as a Pictorial Supplement to your Agency Bulletin.

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10 copies of THE ESTATE-O-GRAPH (without imprint) each month for 1 year, and The Estate-O-Graph Visual Selling Service (Binder, 60 previously published issues indexed according to subject)

TOTAL COST\$18.00

Payable \$9.00 with order, \$9.00 in 6 months or \$17.10 cash with order.

Write for sample copies and complete information or order the introductory unit.

Pictorial Division, The Rough Notes Co., Inc.

1142 N. Meridian Street, Indianapolis 6, Ind.

FRIDAY, DECEMBER 27, 1946

Looking for a valuable clue?

You won't have to look far to find that consistent national advertising can help you sell insurance. Just glance at the chart to the right.

It records the growth of the 25 leading insurance companies over the past ten years. Pay special attention to the upper line. It shows what has happened to the ten companies that have advertised consistently in The Saturday Evening Post.

We think it's pretty clear evidence of the effectiveness of continued Post advertising support.

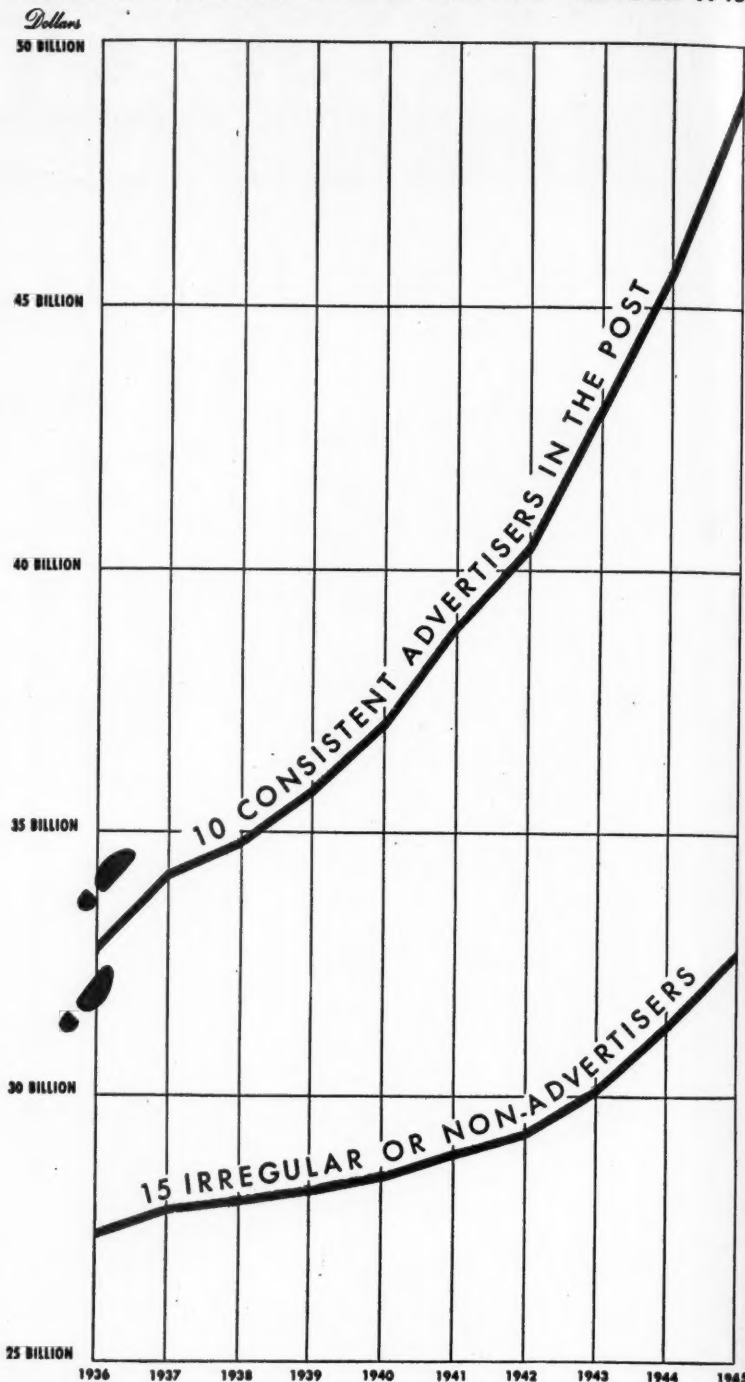
► Advertisements in the Post reach the best prospects—the people whose education and income are well above average.

► Advertisements in the Post get attention. People like to read ads in the Post—far more than in any other magazine.



*It pays to have the Post
pave the way*

GRAPH SHOWS THE GROWTH OF ORDINARY LIFE INSURANCE IN FORCE (IN BILLIONS OF DOLLARS) WITH LEADING LIFE INSURANCE COMPANIES DURING 1936 AND THROUGH 1945



For this ten-year period the growth of ordinary life insurance in force among the ten consistent Post insurance advertisers has been more than three times as great as that of the fifteen irregular or non-advertisers.

THE SATURDAY EVENING
POST

Few Commission Agents Apply for Social Security

Dec. 31 Deadline for Establishing Full OASI Coverage

As the deadline of Dec. 31 for establishing "fully insured" social security status approaches, it is apparent that comparatively few life insurance agents on a commission basis have elected to establish coverage. Regional social security officers have had some agents come around since October and, with few exceptions, coverage has been established for them, but the percentage of agents who have done so is apparently small. Meanwhile, the pros and cons of signing up for social security have been argued by the agents themselves in Monday morning meetings and general agents and managers have seen to it that their agents have been informed of their rights to coverage in the light of social security board decisions and the importance, if they elect to come under the act, of filing applications by Dec. 31, 1946, in order to immediately establish full coverage.

Managers, General Agents Briefed

Companies have also discharged their responsibilities in the matter of briefing their managers and general agents on procedures to be followed by those desiring to sign up for the coverage. In a number of cases, companies have sent out informative written matter about social security and a number have forwarded to managers for distribution to all agents reprints of the report of the sub-committee on social security presented at the annual meeting of the National Assn. of Life Underwriters. Even among social security board personnel, this report is regarded as the most succinct resume of the position of the life insurance agent in the social security scheme. Most life agencies have devoted three or four weeks to discussion of the problem and in some cases representatives of local social security offices have addressed agencies upon request. In all cases, the determination of whether or not he wishes to sign up for social security has been left to the discretion of the agent.

Dec. 31 is an important date because the statute of limitations for OASI requires that the individual establish a record of covered employment for 40 calendar quarters or for half the quarters since Jan. 1, 1937. The statute prevents an individual from establishing his coverage for a longer period than the year in which he makes application and the four calendar years preceding that year. Therefore, an application filed any time in 1946 can be extended back through 1942, thus establishing coverage of the individual for at least one-half of the quarters since Jan. 1, 1937. After Dec. 31, 1946, this portion of the act would prevent the agent from establishing his coverage during 1942, which would mean he would have to wait until he could establish the required half the number of quarters since 1937 for fully insured status which he would not attain until the last half of 1948. In the interim, he would not be eligible to receive the primary or retirement benefits or the 65

(CONTINUED ON PAGE 24)

Mutual's Policy Loan Plan Wins Business from Banks

NEW YORK—Mutual Life's reduction in policy loan interest rates and its adoption of a sliding scale based on loan size, which went into effect Sept. 1, is apparently producing the desired results of regaining substantial amounts of this business which had been going to banks offering lower interest rates than those prevailing among life companies.

During the first eight months of 1946, Mutual's policy loans were declining at the rate of \$300,000 to \$500,000 a month and there had been an almost uninterrupted shrinkage in the policy loan portfolio since 1933. Since the lower rates were made effective on Sept. 1, there has been a substantial increase in the volume of new loans and in the total policy loan portfolio.

For October the loan portfolio has shown an increase for the first time in any month since 1938. The gain in October was larger than any gain since March, 1937. November also showed a substantial increase, contrasting sharply with the previous steady decline.

Increase Against General Trend

However, Mutual's experience to date has been so brief that it feels it inadvisable to disclose definite figures, as the company wants to be sure the recent sharp upturn is a permanent trend before assuming that this is the case.

The contrast between Mutual's increase in policy loans and the declining trend among life companies generally showed up very markedly in October. The 36 companies reporting their investment figures to the Life Insurance Assn. of America had an aggregate reduction in their policy loan portfolios of approximately \$900,000 for October. This appears to indicate that Mutual's increase in policy loans is not part of any up-trend in the industry but is definitely against the trend, the only explanation being that the company is getting loans that would otherwise go to banks and is replacing some loans that were previously carried in banks.

In connection with the competition with banks for policy loans, it is interesting to note that the average size of new loans made since the reduced rates went into effect has just about doubled. This indicates that the plan has been successful in keeping with the company

the larger loans that used to go to banks and other outside lenders because of the previous rate differential. Apparently all sections of the country are about equally receptive to the new plan for under the new schedule of rates no great differences have been noted in borrowing among the various sections of the country. The public's general reaction to the reduction in loan rates has been excellent and there has been widespread approval and favorable press reaction, even though nearly all other life companies that have taken any position are opposed to the idea.

The rates are aimed at being competitive with the banks but even where they do not "undersell" the bank rate the company is able to point to substantial advantages in borrowing from it rather than going to an outside lender. Mutual makes it clear that it does not encourage any policyholder to borrow on life insurance but it urges him to borrow from his own company, if he must borrow, because of favorable interest rates, with no service charges or fees; the fact that rates are true interest rates, with interest being paid only on the unpaid loan balance; no credit investigation; and the entire transaction is completely confidential; the loan cannot be called, though the borrower is urged to repay at his convenience and the company will help him work out a systematic payment plan; interest rate cannot be increased without at least 12 months' notice; repayments can be made as often as the buyer likes, in any amount of \$10 or more; the borrower retains his insurance policy; and he contributes to the Mutual's earnings which, in a mutual company, benefits him and all other policyholders.

The new rates, which were publicized some months ago, are 5% on the first \$750 of loan, 4% on the next \$750, and 3% on any excess over \$1,500. If a policyholder has two or more Mutual Life policies with loan values totaling more than \$750 it is usually possible for him to consolidate them into a single loan at a lower rate than if each policy were borrowed on separately.

The company points out to prospective borrowers that its interest rate being a true interest rate, it is much

(CONTINUED ON PAGE 24)

Paynter, Myers and Nelson Now V.-P.'s; Meares Secretary

Four Home Office Executives Are Advanced by New York Life

New York Life has elected three additional vice-presidents and a new secretary.

The new vice-presidents are Richard K. Paynter, Jr., also treasurer; Clarence J. Myers, formerly secretary and Otto L. Nelson, Jr., formerly assistant vice-president.

C. W. V. Meares, formerly assistant secretary, was elected secretary.

Mr. Paynter was born at Washington and graduated from Princeton in 1925. He entered the investment banking business and joined New York Life in 1934, in the railroad division of the treasury department. He was made assistant treasurer in 1937, assistant vice-president in 1943, and treasurer in 1944.



R. K. Paynter

Myers Started in 1943

Mr. Myers joined New York Life as its secretary in 1943. He had served for 20 years as a member of the staff of Tamblin & Brown, Inc., public relations and fund-raising counselors. He was secretary of that organization and later its executive vice-president. He was graduated from Colgate University in 1920 and took special courses at Harvard graduate school of business administration. He is a trustee of Colgate.

Mr. Nelson joined New York Life last March as an assistant secretary following his release from the army where he held the rank of major general. He was graduated from West Point in 1924, and he holds post-graduate degrees from Columbia and Harvard. Prior to 1941 he was instructor and then assistant professor in history, economics and government at West Point. In 1942 he was assigned to duty in the office of the chief of staff and in 1943 he was designated assistant deputy chief of staff. He went overseas as deputy theater commander in the Mediterranean theater of operations in 1945. He was appointed assistant vice-president of New York Life last July.

Mr. Meares started working for New York Life in 1923 in the actuarial department, where he received his life insurance and administrative training. For many years he was head of the mathematical division of the actuarial department. In 1940 he became administrative assistant to Actuary William V. Herbert in matters relating to personnel in the department, in 1942 he became assistant manager of the actuarial department, and last March he was appointed assistant secretary.

May Cover Smaller Groups

HARTFORD—Trustees of the savings bank life insurance fund of Connecticut approved writing that coverage on employe and similar groups of 25 to 49 persons. Until now the coverage could be issued in Connecticut only on groups of at least 50.

Head Table Group for Spaatz Luncheon



HEAD TABLE GROUP AT LUNCHEON GIVEN FOR INSURANCE COMMISSIONERS BY NEW-YORK INSURANCE FRATERNITY:

Gen. Carl Spaatz, commanding general army air forces, luncheon speaker; Reed Chambers, president U. S. Aviation Underwriters; J. E. Larson, Florida, chairman executive committee N. A. I. C.; Nellis Parkinson, Illinois, N. A. I. C. secretary.

Life Insurance, in Reconversion Period, Attains Most Notable Gains

By CLARENCE C. KLOCKSIN

Legislative Counsel, Northwestern Mutual Life

The road back to peace has many obstructions and the transition from a controlled system to a free economy made moderate progress in the first full post-war year.

During the process of reconversion the business of life insurance achieved the most notable gains in its century of service to the American people. In number of policyholders and beneficiaries, in total policy reserves and in life insurance protection, the figures of the year stand unparalleled. The magnitude of new life insurance sales was overwhelming.

Life insurance, however, was not free of problems, some carry-overs and a few new ones. Low interest rates continued to plague the business; new investment outlets were sought; taxation was a principal issue; diligent efforts were made by an all-industry committee in cooperation with the National Assn. of Insurance Commissioners to strengthen state supervision in line with the intent of U. S. Public Law 15; and the necessity remained for a small group of states to adopt the standard nonforfeiture and valuation act, known as the Guertin bill, before its mandatory deadline, Jan. 1, 1948. These and a number of other developments highlighted the year.

Every day of the past year was virtually a field day for the life underwriters as sales of policies zoomed skyward everywhere. The total volume for the year approximated \$23½ billion, a record for all time and about \$8 billion over the 1945 production. It was \$6½ billion above the old record established in 1929. It is fitting and timely to extend sincere congratulations to the agency forces of the country for this outstanding and unprecedented performance.

Other Major Results

Gaining at a rapid rate, life insurance in force in all companies soared to over \$174 billion, a net increase of about \$12 billion for the year. Contributing indirectly to the net increase was the prevailing low termination rate. Total assets of all companies climbed to \$48 billion, a gain of over \$3½ billion. Both insurance and asset accounts established all-time highs. Enrolled new policyholders numbered 1¼ million, making the total somewhat over 73 million policyholders. Disbursements to beneficiaries and policyholders through death claims, matured endowments, cash surrenders and other contract obligations set another record at \$2.8 billion.

Investment and Interest Rates

Nothing contributes more to the social and economic security of the people than their habitual thrift. At no period in American history has the rise in individual savings been so rapid as in the past decade. The accumulation of war bonds, life insurance reserves, bank savings accounts, and savings and loan association shares reached nearly \$150 billion at the year-end. This is a nest egg that will go far to counteract any adverse period that may be ahead. In addition to such liquid savings, are the many billions invested in homes, farms and other tangible and intangible property.

No problem of the life insurance business has belabored it more in recent times than the dual task of investing the huge funds on hand in sound securities and obtaining thereon a fair and reasonable interest return.

When the war started, interest rates were abnormally low. The heavy war financing created an enormous expansion in the supply of money and credits. The abundance of dollars, together with the government policy of paying as low a rate as the conditions warranted, caused interest rates to sag further.

Since the war's end, there has been a drastic curtailment of government spending. At the same time the Treasury has used part of its unusually large cash balances to effect some reduction of the public debt. A balanced federal budget may soon be realized. These factors, coupled with a high level of business and building activity requiring capital of huge proportions, are expected to stem the downward trend of interest rates.

The outlook for an improved rate of return is not very encouraging. The supply of money is still greater than the demand. Moreover, the Treasury has not viewed favorably the suggestions of institutional investors that there be occasional offerings of long-term securities and refunding of a reasonable portion of its unduly large short-term obligations. The Treasury has pointed out that the issuance of long-term securities would involve higher interest rates, thereby increasing the cost of carrying the public debt, and possibly depreciating the market values of its outstanding obligations, which it felt might stimulate rather than retard inflation.

Policy Reserve Basis
Steadily decreased interest earnings of the past decade have gradually brought company actuaries to the conclusion that the interest assumptions on policy reserves and for long-term commitments on deferred settlement options should be at lower levels. For the past few years, 3½% reserve companies have been reducing their interest basis on new issues by varying to 2½%,

while some of the 3% mutuals have adopted a similar course. Northwestern Mutual has announced a change to the CSO 2% table effective Jan. 1, 1947.

With adoption of the CSO mortality table by the companies generally Jan. 1, 1948, adjustments in the interest basis will be effected in accordance with safe assumptions for the future.

Nonforfeiture and Valuation Laws

The provisions of the standard nonforfeiture and valuation laws, known as the Guertin bills, will become mandatory on Jan. 1, 1948. Twenty-six states have already enacted these standard provisions, while the statutes of nine additional jurisdictions permit of their operation by insurance department acceptance.

Thirteen states have thus far failed to adopt the Guertin legislation. The bill requires approval in New York, Arizona, Idaho, Kansas, Minnesota, North Dakota, Ohio, Oklahoma, South Dakota, Texas, Utah, Washington and Wyoming. The prospects for favorable action by the legislatures and Congress this winter are encouraging.

Public Law 15, approved in March, 1945, granted the insurance business a moratorium until Jan. 1, 1948, from the Sherman and Clayton anti-trust acts, the Robinson-Patman act and the federal trade commission act. Shortly after Congress established the moratorium referred to, a committee representative of the entire insurance industry, known as the all-industry committee, was appointed to prepare for submission to state legislatures drafts of bills designed to exempt insurance from the operation of the aforesaid federal acts.

All-Industry Committee

The all-industry committee's efforts were exerted in co-operation with the Committee on federal law of the National Assn. of Insurance Commissioners. These committees worked diligently for more than a year preparing and drafting legislative bills, and at the meeting of the insurance commissioners at Portland, last June model bills for

rating in the fire and marine and in the casualty and surety insurance fields were submitted and adopted.

There has been some opposition to the rating bills from individual insurers and agents' and brokers' groups. The all-industry committee at a number of meetings considered all phases of opposition and suggestions for amendments. A plan to provide a minimum type of rate regulation under which the commissioner would have authority in passing upon rates that in the model bills was rejected.

At the meeting of the insurance commissioners in New York in December a report and model bill relating to unfair trade practices was submitted and adopted, with an understanding that each state would have the right to modify the provisions consistent with its existing laws relating to such practices.

Robinson-Patman Act

The Robinson-Patman act (an amendment of the Clayton anti-trust act) has relatively slight application to the business of insurance. Provisions thereof prohibiting stock ownership and control of one company by another and interlocking directorates are now found in the laws of some states. No report on the Robinson-Patman act was made at the insurance commissioners' meeting.

An idea of what is expected of the states was given in an address late in the year by the assistant U. S. Attorney General, in charge of the anti-trust division, who said:

"The question as to whether the states shall legislate with respect to rates and with respect to unfair trade practices is one for their own determination. If they desire to legislate in those fields, they must do so adequately and affirmatively if within the meaning of Section 2 (b) of public law 15 they wish to secure immunity from the Sherman act and the federal trade commission act."

The scene will next shift to the state legislatures, nearly all of which will convene in January. It is widely thought that the all-industry committee's bills are the product of sound planning and judgment, and that the legislation merits full consideration by the states this winter. It has been urged by some that the model bills should be passed; however, if they have gone too far or should they in any way have fallen short, their faults or defects could be cured by later amendment.

U. S. Supreme Court Decisions

Following the U. S. Supreme Court decision in the case, holding that insurance is commerce, state premium laws which impose a tax on foreign insurers but exempt domestic companies were under attack. It was contended that such laws were discriminatory and therefore a burden on interstate commerce.

Last June the Supreme Court held that the contention referred to was not at issue, or in point, since Congress' enactment of the McCarran act (public law 15) had broken its silence and put the full weight of its power behind existing and future state tax and regulatory legislation to sustain it from attack under the commerce clause. The high court affirmed the decisions of the South Carolina, Kansas and Indiana courts, each of which had upheld the premium tax law of its state.

In another important decision, the Supreme Court upheld the right of California to deny a license to a broker.

(CONTINUED ON PAGE 23)



C. C. Klocksins

SIX ORGANIZATION HEADS AT N. Y.



ORGANIZATION HEADS ATTENDING THE ANNUAL MEETING OF INSTITUTE OF LIFE INSURANCE AT NEW YORK:

From left: Cecil J. North, Metropolitan Life, president L. I. A. M. A.; Leroy A. Lincoln, Metropolitan Life, chairman Institute of Life Insurance; Dwight L. Clarke, Occidental Life, president American Life Convention; George Willard Smith, New England Mutual, retiring president Life Insurance Assn. of America; Harry Cole Bates, Metropolitan Life, retiring president Assn. of Life Insurance Counsel, and Edwin C. McDonald, Metropolitan Life, president Canadian Life Insurance Officers Assn.

Schedule Four Penn. Mutual Executives to Retire Jan. 1

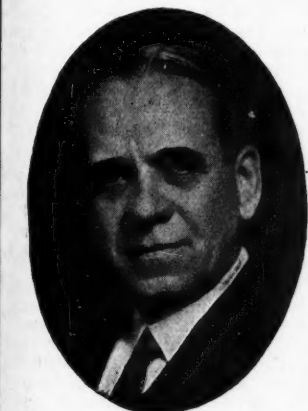
Penn Mutual executives scheduled to retire on Jan. 1 are George R. White, secretary and actuary; Dr. Samuel B. Scholz, Jr., medical director and second vice-president; Joseph M. Conover, assistant vice-president, and Oliver W. Perrin, associate actuary.

Mr. White has been administrator of the company's retirement plan. He started with the company as office boy in 1897, becoming assistant actuary in 1907, associate actuary in 1924 and actuary in 1927.

He is a graduate and trustee of Germantown Academy in Philadelphia and a member of the American Institute of Actuaries.

In 1944, Mr. White took over the duties of secretary upon the retirement of Sidney A. Smith.

Dr. Scholz has been medical director since 1930, having formerly been associate medical director of Massachusetts



DR. S. B. SCHOLZ, JR.

Mutual for 10 years and at one time medical director of Missouri State Life and later medical referee for Equitable Society.

Purdue Graduate

Dr. Scholz is a graduate of Purdue University, the medical college of the University of Michigan, and Denver and Gross College of Medicine. He served in the Spanish-American War and holds the Philippine Congressional medal.

He has served as president of the Assn. of Life Insurance Medical Directors. In 1935 in London and in 1938 in Paris he served as vice-chairman of the International Life Assurance Congress.

Mr. Conover has been purchasing agent since 1900.

He organized in 1923 and was president for 10 years of the Penn Mutual Assn., the social and athletic organization of home office employees. In his young manhood Mr. Conover was a well known athlete in Philadelphia and later became a leading golfer.

Mr. Perrin retires after 42 years with the company in actuarial work.

He is treasurer of the Actuarial Society of America and on the board of the American Institute of Actuaries.

He is also treasurer of a permanent committee of International Congresses of Actuaries. A graduate of the University of Michigan and a former director of the alumni association, he has made it a hobby to develop talent of that university's best students in mathematics.

Ensor and Hodges



Commissioner Ensor (left) of Maryland and Commissioner Hodges of North Carolina in a between-sessions chat at the insurance commissioners convention.

Cost of Living Bonus Given by Cal.-Western States Life

A cost of living allowance for salaried employees has been authorized by California-Western State Life. This is the first step in a plan providing for a quarterly review of living costs. Salaried employees earning less than \$400 per month receive a 15% allowance for the last quarter of 1946. Those earning over \$400 per month were granted a \$180 allowance for the same period.

The cost of living situation will again be reviewed on April 15 and further adjustment may be considered.

Employees on a commission or bonus basis, and certain other limited classifications, are not included in the plan. This was the second cost of living adjustment made by the company this year. On June 1 salary increases of

Organize Southern Farm Bureau Life

Southern Farm Bureau Life, a stock company, has been chartered in Mississippi, with \$200,000 capital and \$200,000 surplus, subscribed in equal amounts by farm bureau investment companies in Alabama, Arkansas, Kentucky, Mississippi and Texas. The company will operate in these five states. Informal applications for more than \$25 million has been received.

General ground work for the new company was conducted under direction of John T. Casey, Chicago insurance director American Farm Bureau Federation, and a farm bureau committee headed by Owen Cooper, executive director Mississippi Farm Bureau.

Ransom Aldrich, chairman American Farm Bureau committee on medical care, is president of the company. Operating management will be under direction of David Mieher, executive vice-president, and Paul Edwards, secretary-treasurer. Mr. Mieher was manager of Country Life in Illinois and Mr. Edwards manager of Farm Bureau Mutual of Indiana.

Day's Cold Canvass in Strange City Nets \$23,000

Huffman Baines, Jr., Southland Life, Austin Tex., went to Dallas and on cold canvass met seven people, sold six cases, receiving cash with applications, for a total of \$23,000 of life insurance and premiums of \$823 in one day.

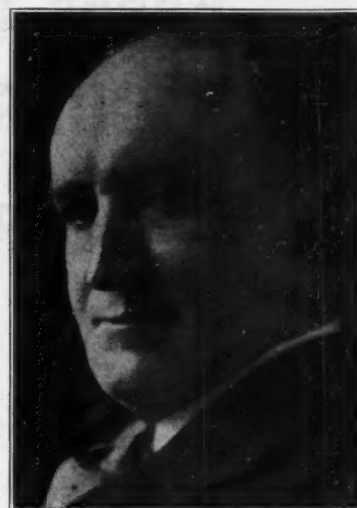
Harry French, retired general agent of Northwestern Mutual Life at Madison, Wis., and Mrs. French are leaving this month for an indefinite stay in Florida.

\$20 per month were authorized for all salary brackets under \$400.

Majors Reserve Loan President; O'Donohue Retires

DALLAS—Clint W. Murchison, Dallas financier and oil man, has been elected chairman of Reserve Loan Life of Texas. B. Hick Majors of the real estate firm of Majors & Majors has been named president. W. T. O'Donohue, president of the company, is retiring from active business and has resigned.

Reserve Loan Life moved to Dallas from Indiana about seven years ago and



W. T. O'DONOHUE

is now devoting its activities to Texas and the southwest. It writes life, health, accident and group business. It has about \$120 million of insurance in force.

Mr. O'Donohue had been confined to his home because of a heart ailment and just recently had gotten back to the office.

Retiring President's Career

Mr. O'Donohue has been a colorful life insurance figure. He has been president of Reserve Loan since 1940 after having been vice-president for the previous three years. He has been in the business about 30 years. For several years he was a home office executive of Jefferson Standard Life and then was located in California for that company for a time. He was also for a period vice-president of Manhattan Life.

Arizona and Los Angeles Brightest Nov. Sales Spots

Arizona showed the greatest rate of increase in ordinary life sales in November, with Nevada second and Oregon and Idaho tied for third, according to L.I.A.M.A. Countrywide, ordinary business increased 32% in November compared with November, 1945, while Arizona sales gained 89%, Nevada 78% and Oregon and Idaho 63%.

For the first 11 months, with national ordinary sales up 58%, Texas and New Hampshire tied for the lead, with an increase of 72%, with Colorado and Oregon tied for second place, up 68%.

Los Angeles Leads Large Cities

Among the large cities, Los Angeles showed the greatest rate of increase for November, with a gain of 41%. Chicago was second with a gain of 36%. Detroit led for the 11 months with a gain of 67%. The figures for the leading cities are:

Boston, up 27% for November, and 51% for the 11 months; Chicago, up 36% and 53%; Cleveland, 23% and 59%; Detroit, 34% and 67%; Los Angeles, 41% and 53%; New York, 17% and 44%; Philadelphia, 25% and 64%, and St. Louis, 17% and 51%.

Haying by Lawnmower

E. P. Connolly, Penn Mutual General Agent at Des Moines, says —

"The man operating a farm buys what he needs. A capable salesman can sell him the insurance he needs. I mean by that he buys what he needs to operate his farm and that depends on the size of the farm. You don't find a man attempting to operate 160 to 200 acres with one team of horses. You don't find a man attempting to operate 400 acres with one tractor. You don't find a man with a five-cow capacity barn when he has fifteen cows.

"We use such illustrations in presenting life insurance. They are sound, practical and understandable. As far as life insurance is concerned many farm people are attempting to mow a hay field with a lawnmower."

• • •

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Every Homeowner and Homebuyer* Needs the New GUARDIAN Mortgage Policy

However heavily insured he may be, every homeowner or homebuyer who has a mortgage needs the protection the new Guardian Mortgage Insurance Policy provides.

For instance, at age 30, for only \$2.90 a month, the policyholder gets full coverage on a \$5,000 20-year mortgage—plus cash surrender values, loan values and dividends. Meanwhile, he's adding to his permanent insurance estate.

The new booklet, "Your Home for Keeps," is telling prospects the facts about this increasingly popular new policy. Write for your copy.

*Unless he's already mortgage-free.

THE
GUARDIAN
LIFE INSURANCE COMPANY
OF AMERICA

Home Office: New York City

A Mutual Company

Established 1860

Guardian of American Families for 86 Years

Give Further Particulars of New Ohio National Life CSO 2½% Program

In view of the interest in the changes that are coming in the wake of the Guertin legislation, especial interest is being taken in the new programs that are being introduced by several companies well in advance of Jan. 1, 1948, the effective date of the legislation. Ohio National Life is the most recent company to make the departure. Its new policies are based on the CSO mortality table and 2½% interest.

Dodson Gives Explanation

A thorough explanation of the new setup is contained in a booklet prepared by M. R. Dodson, vice-president and actuary.

Mr. Dodson observes that the ordinary life paid up at age 85 has been replaced by a straight ordinary life policy which will be issued for any face amount of \$1,000 or more. The actuarial department has heard objections to the paid up at 85 policy because mention of the age 85 sounds so remote that it sometimes interferes with the sale of that plan.

The special whole life policy which has been issued heretofore in face amounts of \$5,000 or more has been replaced by a policy which is even more competitive, which is to be issued in face amounts of \$3,000 up, and which will pay top commission except at the highest ages of issue. This plan is known as the modified three. This is a whole life contract requiring premiums during the first three years which are only 85% of the premiums thereafter. The first dividend is payable at the end of the third year. Although dividends are not guaranteed it is hoped that the dividend at the end of the third year will always be sufficient to offset the increase in premium. This is so under the 1947 dividend schedule. In effect, this is non-participating ordinary life for the first three years and participating ordinary life thereafter.

Quit 25-Pay Life

The company has been issuing only a handful of 25-payment life policies and for that reason the plan has been dropped.

The insured life income policy has been an experimental contract issued on the 2½% CSO table. The company has sold very little of it, and apparently the only thing in its favor is the fact that it is a retirement policy sold in units of \$1,000 face amount. The objections to the retirement income policy shown in the 1945 book largely center around the fact that the unit face amount is \$1,500. For that reason, the insured life income and the \$1,500 retirement income have both been replaced by a completely new set-up.

The new retirement income policy is sold in face amounts of \$1,000 for each \$10 of monthly income, pays the same high rate of commission as the previous retirement income, is issued to mature at all three retirement ages of 55, 60, and 65 with separate rates and values shown for males and females, and is issued at ages up to within 10 years of maturity date.

The new standard legislation compels eliminating 20-year term policy on Jan. 1, 1948, unless non-forfeiture benefits are granted. It does not seem desirable to show 5, 10, and 15-year term policies without cash values and 20-year term policies with cash values. For that reason the 20-year term policy has been entirely discontinued. Usually, the 15-year term, 20-year family income rider or one of the 20-year home protection policies will fill the need for term insurance of

this duration. Also, the company is still issuing term insurance running to age 65 under its select economy policy, which is the new name for the plan.

Title Is Changed

So that there will be less confusion with the modified three, the name of the modified whole life policy shown in the 1945 rate book has been changed to modified five.

Heretofore, dividends have been payable at the end of the first year but contingent upon payment of the second year's premium. Due to the higher average size of policy, this practice will continue on the select economy policy modified five, on the 5, 10 and 15-year terms, and on single premium policies. Under other forms, however, the first dividend will be payable at the end of the second year (third year on modified three). The saving thus brought about has been redistributed throughout the dividend scale in later years. The change actually improves the net cost comparison by the end of the twentieth year.

There has been a demand for a low premium policy to be issued at the juvenile ages. This demand has been met by including in the new rate book an ordinary life paid up at age 65 policy issued down to age 0. However, to discourage the writing of industrial grade business and to make a reasonable dividend showing, this plan will not be written in amounts less than \$1,500 below age 10 at issue.

Payor Benefit

The juvenile payor benefit has provided for the waiver of all premiums in the event of the purchaser's death or disability before the end of the premium period. Under a juvenile contract requiring the payment of premiums for a very extended period of time, it becomes necessary to limit the period during which the company will waive premiums. The waiver of premiums to age 23 of the child seemed the most satisfactory solution. As a result, all of the payor benefit premiums, regardless of plan of insurance, will waive premiums only until age 23 of the child in the event the premium period should extend beyond that age.

Reduced paid-up insurance will henceforth be participating instead of non-participating.

As interest rates went lower and lower, it was felt that the guaranteed rate of interest under all the options of settlement should be reduced from 4% to 2%. The company is going to "hold out" a while longer, however, realizing that such a change would affect the sales adversely, probably more than any other change which might be contained in a new rate book. Therefore, no change has been made in any of the installment options numbered 2, 3, and 4 in the policy form. Settlement options 1A and 1B have been combined, however, into one option guaranteeing 2% interest on funds left with the company at interest only.

Increase in Premiums

Inasmuch as funds left at interest under option 1 will henceforth be guaranteed at 2% only, family security and family income premiums had to be substantially increased. Two percent interest represents only \$1.65 monthly on each \$1,000 held by the company as compared with \$2.06 at 2½%. Therefore, new riders must provide for large amounts of decreasing insurance so that they will make up the difference between the \$10 guaranteed by each \$100 of rider and the \$1.65 monthly interest provided by \$1,000 of basic policy.

The riders have also been changed in another way. The 1945 rate book provides that the family security rider

(CONTINUED ON PAGE 11)



M. R. Dodson

Julius Selling Agency, in Its New Home, Celebrates a Record of Accomplishment

NEW YORK—To celebrate the winning of two plaques, one for volume and the other for lives, in the State Mutual's president's campaign, and to introduce the agency's friends to its new downtown home, the Julius Selling agency held a housewarming attended by about 150 guests, including President George A. White and other home office executives. The agency's new office is at 15 Park row and is much larger than the former office in the midtown area. The occasion also was in celebration of the agency's fifth anniversary.

Speakers included Robert H. Denny, vice-president and superintendent of agencies, Frank W. Pennell, former general agent in New York City and now one of its leading personal producers, Harry H. Gordon, agency supervisor, Walter Strauss on behalf of the agents and brokers, and Mr. Selling.

Mr. Denny said that the agency's business is not only substantial but of the very highest quality and has been considerably better than the company rate, which is considered one of the best in the industry. He referred to the agency's excellent persistency as "almost unbelievable."

Telling of the difficulties that faced Mr. Selling when he started business, Mr. Pennell said that Mr. Selling was, to him, "One of those rare miracles." He said he believed Mr. Selling's record to be without parallel in life insurance.

Starting in 32nd place in 1941, the Selling agency jumped to 17th in 1942, seventh in 1943, sixth in 1944, fifth in 1945, and is maintaining fifth place for the first 11 months of 1946. Only six months after Mr. Selling took over as general agent the agency captured the president's plaque, leading the company in both lives and paid volume for the campaign.

Before 1933, when he left Germany to avoid the rising tide of Hitlerism, Mr. Selling was the highly successful owner of the greatest insurance brokerage office in southern Germany, operating an organization with 20 branches, employing more than 400 agents.

Mr. Selling had worked his way up to that position, starting as a 19-year old apprentice in the Munich Life, and continuing up the ladder to a great career in the life insurance business, filling all types of posts from agent to

supervisor to director of agencies, finally leaving to found his own firm. Coming to the United States in 1935, after two years in England to study English insurance procedures, he started at the bottom of the ladder again. He worked as an agent for various life companies until State Mutual gave him a break by naming him an associate general agent in New York. Six months later he became sole general agent.

New Philadelphia Phone Directory

The new edition of its Philadelphia Insurance Telephone Directory is being distributed by the National Underwriter Co. this week. This 80 page book lists all of the new numbers of insurance and affiliated offices which became effective in that city a few months ago and is a useful and handy reference. Sent free to Philadelphia offices, additional copies may be obtained at \$1 each.

THE NATIONAL UNDERWRITER publishes similar directories for Boston, Detroit,

Chicago, Dallas - Houston, Baltimore-Washington and Pittsburgh. Copies may be obtained from the Philadelphia office of the National Underwriter Company, 123 South Broad street, or, the Cincinnati office, 420 East Fourth street, Cincinnati 2, O.

Parker-Allston Named

Parker-Allston Associates of New York, has been appointed advertising counsel for Philadelphia Life and for United Life & Accident of N. H. Raymond D. Parker is the account executive.

For the Second Consecutive
Year...Third Time in 5 Years

AWARDED TO
FRANKLIN
LIFE INSURANCE COMPANY
FOR FIRST PLACE IN
EXCELLENCE OF EXHIBITS
GROUP II
LIFE INSURANCE
ADVERTISERS
ASSOCIATION
OCTOBER
1946

HEADS LAWYERS

Robert Dechert, who was just recently elected president of the Assn. of Life Insurance Counsel, is home office counsel for Penn Mutual Life and member of the Philadelphia law firm of Barnes, Dechert, Price, Smith & Clark. He graduated at University of Pennsylvania and the law school there. He served as captain in the first war and in 1921 entered law practice at Philadelphia. In 1927 he



Robert Dechert

became vice-president and counsel of Penn Mutual and in 1930 he resigned as vice-president to form his present law firm. He continued as counsel and head of the legal department of Penn Mutual.

Mr. Dechert is a trustee of University of Pennsylvania and taught in the law school there for many years. He is president of the board of the Pennsylvania School of Social Work and is vice-president of the Philadelphia Y.M.C.A. He is a director of Fidelity-Philadelphia Trust Co., and a trustee of Lawrenceville School.



The Friendly

FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$425,000,000 Insurance in Force.

L. I. A. M. A. Weighs A. & H. Study; Names Committee Chairmen

A program making available A. & H. sales surveys, company practices information, and research projects to member companies that write accident and health is being considered by Life Insurance Agency Management Assn. Contemplated work in this field will not conflict with that being done by other organizations. The accident and health project was one of many items discussed at a board meeting in Hartford which was attended by John Marshall Holcombe, Jr., managing director, who has been absent some weeks due to illness.

Norwich Union Life Insurance Society with home offices in Toronto and London was elected to membership. This brings the total to 174 companies, which account for more than 90% of all life insurance in force in the United States and Canada.

Five new committees were established by the board and chairmen appointments made. They are:

Relations with universities, H. G. Kenagy, vice-president, Mutual Benefit. Canadian companies, J. A. McAllister, director of agencies, Sun Life of Can-

ada. Sub-committee on agents compensation, Clyde F. Gay, vice-president John Hancock Mutual. Joint Committee on Education and Training, Vincent B. Coffin, vice-president Connecticut Mutual. Assisting him are Benjamin N. Woodson, executive vice-president Commonwealth Life, and Roger Hull, vice-president and manager of agencies Mutual Life. Cost, Raymond W. Simpkin, agency comptroller Connecticut Mutual.

Other new appointments include the following new chairmen of active committees.

Cooperation with other organizations, Dudley Dowell, vice-president in charge of agencies New York Life. Companies writing accident and health and ordinary insurance, Raymond H. Belknap, director of agencies Occidental of California. Education and training, Robert B. Coolidge, agency vice-president, Aetna; C. B. Metzger, director of agency training; Raymond C. Johnson, assistant vice-president, New York Life.

Field personnel, A. L. Dern, vice-president and director of agencies Lincoln

National. Finance, Wendell Hanselman, vice-president and superintendent of agencies, Union Central. Membership, B. N. Woodson, executive vice-president Commonwealth. Quality business, R. J. Wood, assistant general manager Imperial of Canada. Research advisory, Roger Hull, vice-president and manager of agencies Mutual Life. Public information, Rolland E. Irish, president, Union Mutual. 1947 annual meeting, Harold M. Stewart, vice-president, Prudential.

Continuing as chairman of the committee for combination companies is Richard B. Evans, president Colonial Life and chairman for the committee for companies having under \$150,000,000 ordinary insurance in force; Frank L. Barnes, vice-president and agency director of Ohio State Life.

The board set for its next meeting dates, March 26-27 in Chicago, and June 23-25 in Hartford.

Mutual Benefit Life Has Big Business Insurance Volume

Mutual Benefit Life's business insurance plan has proved successful, the company declares. It is presently accounting for 11% of total volume, not including pension trusts.

The plan, in many cases, is more profitable than dividend payments to stockholders. It provides a corporate reserve and strengthens credit of insured corporations. It also provides a way for the stock to be kept in friendly hands and insures against a loss due to management changes through death. Other features are to set up informal employee retirement plans and to provide an economical method of continuing the payment of salaries to families of deceased employees. Estate taxes and costs of a deceased stockholder can be paid without inconvenience because cash is given to his executor.

In order to increase sales, Mutual Benefit is sponsoring beginner and refresher courses in this type of coverage. The courses are conducted by Grant A. Sharpe, who is in charge of business insurance for the agency department.

Mosler Again a Millionaire

Henry G. Mosler of the John W. Yates general agency of Massachusetts Mutual Life, Los Angeles, again has qualified for the Million Dollar Round Table. He has never missed qualifying since he entered the life business in 1929 except for the period in which he was a commander in the navy during the last war. He was chairman of the round table when he was called into service.

Address Teachers

At the annual meeting of the American Assn. of University Teachers of Insurance at the Benjamin Franklin hotel, Philadelphia, Jan. 24, Claude L. Benner, vice-



Claude L. Benner



Robert F. Maine

president of Continental American Life will be chairman of the session devoted to "New Areas of Life Insurance Investment." Robert F. Maine, secretary of Provident Mutual Life, will speak during that period on equities.

Travelers Economist Is Retiring

Prof. William B. Bailey, economist for Travelers, is retiring. The first economist to serve on the staff of a large insurance company, he joined Travelers in 1921.

Prior to his association with the company, he had been assistant professor of social service, assistant professor of political economy and professor of practical philanthropy at Yale since 1907. For several years he was editor-in-chief of the American Statistical Association quarterly and an editor of the Economic Bulletin.

As Travelers economist, Professor Bailey addressed meetings of insurance and business men throughout the country and authored numerous articles and studies which appeared in the company's publications. Soon after he joined Travelers, he organized the Travelers Choral Club, which specialized in the singing of Christmas carols which had never previously been sung in this country.

He has also been connected with Station WHIC from its earliest days. He is the author of books and articles on a variety of subjects: economics, the census, organized charity, etc.



★ THANKS TO BOB OSLER FOR CARRYING ON THIS COLUMN DURING THE WEEKS WHEN THE SPEICHER FAMILY WERE AWAY ON THE FIRST REAL VACATION WE HAVE HAD FOR YEARS.

*** I MUST CONFESS that it was somewhat of a bus man's holiday for I found it impossible to stay entirely clear of life insurance offices and life insurance men in Miami and Ft. Lauderdale. The "bus man's" aspect even went so far as addressing the Miami Association and talking at an evening public meeting in Ft. Lauderdale.

THE CONTACTS brought me close to the man in the street, the ratebook man upon whose efforts rests the industry. During leisure hours, I had an opportunity to get an intimate picture of his problems—from his point of view.

AND SO I THINK THAT R & R IN 1947 WILL BE A MORE POINTED, A MORE REALISTIC R & R THAN IT HAS EVER BEFORE BEEN. TO BE SENSIBLY AND THOUGHTFULLY SOUND HAS BEEN OUR AIM ALWAYS, BUT FROM WHAT I SAW AND HEARD THE OBJECTIVE WILL TAKE ON NEW IMPORTANCE FOR ALL OF US AT R & R.



PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

The COMMONWEALTH Commentary

REVIEW & PREVIEW

As we sit back and take a long and wistful view of the fading year, let us not be lulled into complacency by a record never before paralleled in the history of our business.

To be pleased with our huge production figures for 1946 is quite natural; but to ascribe them solely to our own perspicacity and perspiration is the height of delusion.

The approaching year can be a prosperous one also—but the price in personal activity (like the price of everything else) will be much greater.

A good resolution to make at this time is to apply increased drive and initiative to compensate for a less responsive market. The man who stands still will be carried down the escalator.

Insurance in Force, November 30, 1946 — \$306,236,339

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE • MORTON BOYD, President

December 27, 1946

Ashley, Dull Head Insurance Group of N. Y. Board of Trade

Charles S. Ashley, vice-president of Maryland Casualty, was named chairman of the insurance section of the New York Board of Trade at the annual meeting at the Drug & Chemical Club. Floyd N. Dull, vice-president of Continental Casualty, is vice-chairman, and Mortimer E. Sprague, vice-president of Home, is representative on the directorate. G. A. Buckingham was reelected secretary-treasurer.

Following the election there was a buffet with some 200 insurance men on hand as guests. Arthur Snyder, treasurer of Alfred M. Best Co., was chairman of the nominating committee.

Named to the executive committee were:

Clancy D. Connell, Provident Mutual Life; James P. Fordyce, Manhattan Life; J. E. Lewis, Aetna group; Dean M. Parker, Travelers; Herbert W. Schaefer, H. W. Schaefer Co.; Arthur Snyder, Alfred M. Best Co.

Mulder Emphasizes Agent Training Need

SEATTLE—Emphasizing that more and more life insurance companies are aiming for a satisfactory volume of quality business at reasonable rates, serviced by properly trained, well paid "career" agents, J. P. Mulder, Mutual Life manager, told Seattle life managers that more clear-cut programs are needed in the selection, training, education and guidance of agents.

Quoting from guiding principles of agency practice, as proposed by the National association, and reviewing principles adopted by the Seattle Managers Assn., Mr. Mulder pointed out that the status and integrity of the life insurance business depends largely on agents servicing the public.

"Home offices should formulate clear-cut plans for agent selection and training," Mr. Mulder said, "and managers must cooperate to maintain standards set up."

Authority, he said, can be delegated, but responsibility cannot be delegated. Managers and agents, he added, must comply with a code of ethics as well as the home office.

Mr. Mulder said managers would be farther ahead by developing one good agent through careful selection and training, than if they kept four or five borderline producers, hired by slipshod methods.

Cliff's 80th Birthday Party Attended by More Than 200

V. D. Cliff, president of Federal Life & Casualty, was host last Friday to nearly 200 at the new home offices of the company. The reception also marked Mr. Cliff's 80th birthday.

A booklet reviewing Mr. Cliff's career was published for the occasion, and it shows Mr. Cliff in a variety of poses. It reveals that he was born in a log cabin. His early career in the accident and health business is also described. Mr. Cliff helped found the Health & Accident Underwriters Conference and was president for two terms and served on the board for nearly 20 years.

Nearly all the Detroit companies were represented by top officials at the party. There was an open house through the new home office which is completely equipped with fluorescent lighting, new desks and furniture. Commissioner Forbes of Michigan and nearly all the department turned out. Commissioner Kavanaugh of Colorado and Harold Gordon, managing director of the Health & Accident Underwriters Conference also were on hand.

Commission Ignores N.A.L.U.: Wash. Life Men Concerned

SEATTLE—Life men here are greatly concerned because the state commission in hearings on revision of the insurance code paid no heed to recommendations of the National Assn. of Life Underwriters pertaining to regulation of agent qualifications and to limitation of group insurance.

The recommendation that group insurance to members of creditor groups be limited to \$2,500 for each insured individual instead of \$10,000 was rejected and the suggestion that the rule concerning agent qualifications be made more

stringent was not even mentioned at the hearings.

Recognizing the difficulty of rewriting the group life and annuities section, the commission plans to give these matters further intensive study with special consideration given to the report of the meeting of the National Assn. of Insurance Commissioners held early this month.

It is the opinion among life men here that both group definitions and group limits on policy amounts for individuals will be changed in the legislation's final form but that the revision will not be made until it is presented to the legislature.

Flanagan Keystone Group Advertisers' Chairman

John T. Flanagan has been elected chairman of the keystone group, life Advertisers Assn. He is manager of sales promotion for Fidelity Mutual. A graduate of St. Thomas's College of Minnesota, he started as a teacher, then sold life insurance and in 1943 was appointed manager of the St. Paul office of Fidelity Mutual. In 1945 he was appointed to the position which he now occupies.

Lillian Yelland, Provident Mutual, was elected secretary-treasurer.

Thanks to all the Companies that Cooperated in this—

Among the new records we established this year is a new all-time high in the number of Planned Estates completed for owners of life insurance.

It has long been our conviction that in welding together a client's policies into a unified plan to carry out his ideas we give him a greater appreciation of every policy he owns.

In this way the Planned Estate underwriter of Home Life is assisting in the conservation and persistency of all policies which are part of the materials of the complete plan.

This work has meant a great increase in the flow of requests for settlement options and beneficiary arrangements to the various companies in which Planned Estate clients are policyowners.

Before the year closes—on behalf of both our home office and field organization—we would like to express our thanks and appreciation for the splendid cooperation we have received from other companies in coordinating the desires of our "mutual" policyowners.

This is a fine example of the ability and willingness of our business to cooperate eagerly in the interests of those we serve — the policyowners of the nation.

HOME LIFE INSURANCE COMPANY

256 Broadway, New York 8, N. Y.

JAMES A. FULTON
President

"The Home of Planned Estates"

WILLIAM P. WORTHINGTON
Agency Vice President

Agents Well Suited to Marriage Broker Role, Says Expert

NEW YORK—A possible profitable sideline for insurance agents was suggested in a newspaper interview here by Rabbi Nathan Wolf, president of the Marriage Brokers Assn.

"Anyone with a good, wide acquaintance—like an insurance man—can start making matches," he said. However, he added that five or six years' experience in this work is necessary before the association will admit a marriage broker to membership.

The association recently voted to boost its fees to \$75 for each man and each woman a member succeeds in leading to the altar. Brokers are also supposed to get a percentage of the woman's dowry but Mr. Wolf said such fees are hard to collect. Five or six

years ago the fee was \$25 for each party but later it rose to \$50. Mr. Wolf estimated that about 70,000 potential brides and bridegrooms are introduced through marriage brokers. The divorce rate is about the same as in other marriages, he said.

One man who read of Mr. Wolf's suggestion of marriage brokerage as a field for insurance men suggested there would be some collateral benefits, since an agent would be helping to promote a second generation of prospects. In addition, there would be the fact that married people usually have more insurance needs than single individuals.

Hoffman Retires at Columbus

Edwin Hoffman, after 43 years with Metropolitan Life, has retired as manager of the Columbus district office. He was tendered a dinner by members of the agency. Mr. Hoffman was born in Cincinnati and served his company both there and in Cleveland.

Ky. and N. H.



Insurance Director Wilson (left) of Kentucky and Knowlton of New Hampshire before the camera of H. H. Fuller at insurance commissioners meeting.

Offer Stock in Pettric Holding Company to Form New Life Insurer

Capital Securities Co., in advertisements carried in San Francisco papers, is offering for sale to the public \$470,000 of stock of Citizens Underwriters Co., a Los Angeles holding corporation headed by Victor Pettric. Proceeds of the stock is to be impounded under the terms of a permit of the corporation commissioner.

The stock is advertised to be used by the holding corporation for the organization of a California life insurance company, if and when authority is received from the insurance department. Louis J. Euhler, attorney for the holding corporation, has filed with the department a request for reservation of the name of Citizens Life & Casualty, but no action has been taken on it as yet by the department.

Alliance Life Leaders in Campaign Win Awards

In the fall sales campaign of Alliance Life five agents qualified for extra prize money in excess of \$100 each, based on volume and premiums. First award went to L. R. Cardwell, general agent of Rockford, Ill.; second to Frank Sulka, Kalamazoo, third, General Agent Eli Goldberg, Houston, and fourth, E. W. Nuechterlein, general agent, Saginaw, fifth, C. D. Grant, general agent, Tulsa.

Goldberg qualified for the \$200,000 Club, and Cardwell for the Quarter Million Club. The latter qualified in less than six months.

More than 100 general agents and their wives will go to Sea Ranch, near Fort Lauderdale, Fla., where the President's Club will have its annual outing beginning Jan. 4. New members of the Smart Alic Club will be initiated.

Concentrate on Vital Laws, E. D. Shepherd Tells Texans

FORT WORTH—E. Dale Shepherd, Connecticut Mutual Life, Houston, chairman of the legislative committee of the Texas Assn. of Life Underwriters, told the group's executive committee that the association should concentrate its efforts toward the enactment of only vital legislation at the coming session of the legislature.

James Edgecombe, chairman of the membership committee, reported a net gain of 278 members for the second half of the year. He urged the development of a stronger membership in the Big Spring, Odessa and Midland section.

The association voted against publishing a magazine at this time and deferred action on the employment of a permanent secretary, pending further study. It was also voted to hold the convention in Houston June 5-7.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Occidental Winds Up 1946 Series of Field Schools

Completing its most ambitious year in training new and advanced agents, Occidental Life has rounded out its 1946 field training program last week with a three-day school in Dallas.

Under instruction of L. S. Roscoe, director of field training, and W. D. Bacon, assistant director, 399 agents were trained at company expense during the year. Nearly 300 were agents new to Occidental and the remainder were advanced and special accident and sickness seminar students.

Of the 18 three-day schools held, two each were in southern California, northern California and Manitoba, three each in Texas, Oregon and Chicago, one each in Minneapolis, Kansas City and Colorado.

Eleven schools, all for beginners, will be held in the first half of 1947, including meetings on the east and west coasts, deep south, midwest and northwest sections. More advanced agents will take part in the first post-war Los Conquistadores convention next fall. Occidental conventions are working meetings for training of experienced agents.

Long Liquidation Ended by California Court

LOS ANGELES — Finis has been written to the litigation which followed seizure of 12 chapter 9 life companies by then Commissioner Caminetti in 1940. Superior Judge Schmidt here issued an order discharging Commissioner Garrison as liquidator of the companies, upon his petition.

They were consolidated into a corporation and all business assets and liabilities were transferred to and assumed by Guaranty Union Life, one of the 12.

Commissioner Garrison reported all liability claims against the companies had been disposed of and the assets turned over to Guaranty Union. As of the date of discharge, the report shows, Guaranty Union has \$25,500,000 life insurance in force, \$5,132,000 assets, \$924,000 surplus and has 43,000 policyholders. The company is operating as a mutual old line legal reserve life company.

Judge Schmidt specially thanked Harold A. Benjamin, chief of the department's division of conservations and liquidations, for his work in handling the liquidation and consolidation proceedings.

Reaffirms Tex. Rule Against Divorcee Getting Proceeds

The Texas rule that a divorced person has no insurable interest in the life of an ex-spouse was held by the Texas court of civil appeals, Amarillo, to bar a woman from recovering under a group policy of her former husband, in which she was the named beneficiary. She tried to win an exception to the Texas rule on the ground that when the policy was issued, the insured was a resident of Oklahoma. However, the court decided that due to the fact that the insured was a resident of Texas at the time of the last renewal prior to his death, the wife cannot collect.

The benefits, according to the decision, shall go to the three minor children of Clarence W. Dial, the insured. The policy was for \$2,500 in John Hancock Mutual. The case was Dial v. Fisk, Adm. When the policy was first issued Clarence Dial was employed by Liebman Properties at El Reno, Okla. and he subsequently moved to Texas for that company.

Watkins Leads Conn. General

M. P. Watkins of the Parks P. Duff general agency of Connecticut General Life at Richmond, led the country in year in number of paid for cases was 359. Of these, 232 were personal accident and 127 life. He was a commandant in the navy during the war and did not get out of service until Jan. 1.



LIFE INSURANCE MEANS MERRY CHRISTMAS FOR MILLIONS

The Christmas Season is gayer and brighter in thousands of homes throughout America because life insurance is fulfilling its promise of financial security.

In each of these homes, this well-being is a shining tribute to the life underwriter who, by his personal efforts, made certain its protection.

This season is surely one of rejoicing for those in the Home Office and in the Field, who are dedicating their talents so effectively to the American agency system.

We are indeed proud of our Great Southerners whose successful careers are a testimonial of the esteem they have earned for themselves in their home communities.

To them and to Life Underwriters everywhere a well-merited, Merry Christmas.

GREAT SOUTHERN

Life

INSURANCE COMPANY

HOME OFFICE HOUSTON 1, TEXAS

December 27, 1946

Division of Labor Simplifies Work of Producers on Pension Trust Cases

A method of handling pension trust cases so as to consume as little of the producers time as possible, confining his activity in such cases to the things that he is experienced in doing such as prospecting, writing applications, and programming, has been worked out by William A. Arnold, general agent of Penn Mutual at Harrisburg.

In a preliminary interview the producer gathers essential personnel data which is turned over to the associate general agent of the agency, T. E. G. Greenlund, who analyzes the case and prepares to present it to the officer of the firm who has most to do with making the decision. In this conference the question of costs is thoroughly discussed, and a choice of one or two formulae decided upon for more specific development. The associate general agent tries by observation and questioning to appraise how close a control he believes the agent has of the ultimate placing of the business. If possible, a commitment is obtained from the employer, or at least it is determined that the prospect is favorable before going ahead with the planning.

If a close seems likely, possible appointment of a pension committee is gone into, and a discussion with the committee or with the employer, if he prefers to keep the reins, is held concerning details of the plan. The agency then prepares illustrative, narrative booklets, usually mimeographed, for presentation to the board of directors. Advice of the employer is sought to make the material attractive to the board members according to their personal idiosyncracies. The employer is given opportunity to review and suggest changes before the booklets are submitted to the board.

Contacts Are Valuable

Up to this point the producer has spent only time enough to make the preliminary call and the second interview jointly with the associate general agent. Then he will have an hour to spend at a board meeting where the associate general agent answers questions and attempts to guide the board toward the adoption of an enabling resolution. Thus the producer has spent 2½ to 3 hours on the case, largely as a spectator, in a role requiring no time consuming advance preparation on his part. Even should the pension trust case fail, he has made contacts with people of influence certainly worth his time. Frequently business insurance, personal insurance and salary allotment cases can be developed from these contacts.

If the board adopts an enabling resolution, the producer goes back to his routine of program and package selling while Mr. Greenlund follows through on further details of the pension plan. The follow through includes conferences between the employer, his attorney, the associate general agent and the agency's attorney, leading to the drafting by the employer's attorney of the trust instrument and of his subsequent securing of Treasury Department approval.

Ready for Action

Following Treasury Department approval the producer is ready to write the application and perhaps ultimately program each individual participant's social security, pension trust benefits, and other life insurance.

This plan, says Mr. Arnold, is based on the idea that there is a law of averages which governs the percentage of pension trust cases actually closed.

It is recognized that the breaks can go either for or against the individual agent on this percentage. If they go initially in his favor, the producer may assume that he is a 'hot shot' pension trust expert, based on one or two successful cases and proceed to devote a disproportionate amount of time in this field, only to find the law of averages catching up

some day to disturb his morale and perhaps temporarily reduce his income.

On the other hand, Mr. Arnold points out, if on his first case or two the breaks should go against the producer he may abandon this field of collateral operation altogether.

Mr. Arnold reports that experience in the first year of this plan has been good. The individual producer knows the type of case in which Penn Mutual is inter-

ested and can tell which ones to pass by as well as which ones to approach. He is also briefed on reaching the individual who can say "yes" or "no" as to broaching the subject to a board of directors.

Without becoming involved in time consuming detail, the agent receives his full agent's commission on pension trust cases and the general agent derives costs and profits from allowances and over-ridings on a satisfactory number of cases resulting from this procedure.

Hobbs Addresses Maine Groups

Addressing a meeting of the Maine Quarter-Million Dollar Round Table

and the Southern Maine Assn. of Life Underwriters at Portland, Philip B. Hobbs, Chicago manager for Equitable Society and president of N.A.L.U. urged a definite terminal date for issuance of N.S.L.I. to the peacetime armed services. Certificates were presented to charter members of the quarter-million group.

John W. Grupe of Hilbert, Wis., one of the original incorporators of Aid Assn. for Lutherans, died after a long illness. He held certificate No. 1 in the society. Mr. Grupe secured over half the required number of members to form the society in 1902. He continued active in field work for some time.



PREPARING FOR FUTURE COMPETITION

No. 2—Connecticut Mutual Training and Educational Program—

It is our strong belief that the competition of the future will not be primarily on a basis of net cost, or policy contracts, or financial standing of companies. We believe rather that it will be in the realm of personal service, and that the underwriter who is equipped to render the best service will enjoy the greatest success. It is, therefore, the privilege and the duty of this company to assist its representatives in equipping themselves to solve more effectively the problems of the insuring public.

With the post-war era of improved production fully upon us, the matter of training and education appears to us to be the key for retaining this new production and for pushing on to new heights.

Mere lip service is not enough and Connecticut Mutual does much more. To be specific, the Company's agency department is carrying on the following training projects: (1) *Home Office Training Schools* for new agents. These schools, of which there have been four during 1946, ground the new representatives in the fundamentals of life insurance. (2) *Advanced Underwriting Forums*. A series of ten, held in cities in different parts of the country, dealing with business insurance, estate conservation and employe benefit plans. (3) *Training of Management*. Round Tables of two weeks' duration for Company general agents. (4) *Similar Conferences* for its Supervisors. (5) *Cashiers' Schools*. (6) Forums to be added in 1947 for underwriters of the intermediate group.

No. 1 — Limitation on Recruiting—
First introduced by Connecticut Mutual in 1939. New agents limited to number each agency can thoroughly train and supervise. This limitation has resulted in better selection and reduced turnover.



The CONNECTICUT MUTUAL LIFE INSURANCE COMPANY • HARTFORD



Reflections

IT IS GOOD for all of us to stop and look over our shoulder at the retreating year just drawn to a close. A backward glance now can make for progress in the months ahead. Here at The Ohio National our backward glance gives us a warm glow of pleasure and a genuine feeling of pride.

We are pleased with the volume of business written during our October President's Month campaign. The total was a new high in the annals of company history and it was a month long to be remembered. This was just representative of eleven other high production months. For it was the greatest year of achievement in written business that saw an ever-increasing monthly volume as the year progressed.

This, our thirty-seventh year in business, marks another milestone for the Friendly Company of Distinction. We are proud of this fact and of our Field Force that is responsible for these years of success. They are a closely knit organization; individually and collectively, equipped through experience and training to represent the Company.

Our Field Force went all out in making a successful year possible, 1947 will be even more successful with such men in the field.

THE OHIO NATIONAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO

T. W. APPLEBY, PRESIDENT



**THE OHIO NATIONAL
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO

GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

Offers Illinois Agents
Exceptional Agency Opportunity
VERY ATTRACTIVE CONTRACTS

**COMPLETE LIFE INSURANCE
COVERAGE—AGES 0-60**

**Excellent Line of Juvenile Policies
FULL BENEFIT AGE 5**

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431 South Dearborn St., Chicago, Illinois
WM. J. ALEXANDER, PRESIDENT

Cleary Explains Northwestern Mutual Contract Changes

Explaining in the Northwestern Mutual field magazine the necessities impelling adoption of new contracts based on 2% interest and the C.S.O. table, President M. J. Cleary says that with \$267 million or nearly 15% of total assets newly invested in bonds in the first nine months of 1946 at a gross interest yield of 2.68% and an average maturity of 25.5 years, anyone is a dreaming optimist if he thinks that in fairness to present policyholders and safety, the company could continue to guarantee 3% or even 2½% net interest. While legally the decision could have been postponed a year, in deference to sound business practice, this could not be done, he said.

There is no even dimly visible sign of material improvement in the interest situation, Mr. Cleary writes, but should improvement develop the policyholder will get the full benefit of the improvement.

Out of the amounts newly invested at a gross yield of 2.68%, Mr. Cleary reminds the readers there are investment expenses and management expenses to be paid. "In 1945 our gross was 3.51% and our net 3.33% or 18/100 less than gross. Take 18/100 off of 2.68% and you have 2.5%. There is no tax cost in that deduction of 18/100% except a very modest amount of taxes on acquired real estate. Let us not forget also that no individual or group is wise enough or lucky enough to invest millions—to say nothing of billions—to run over a quarter of a century without losses of interest and principal too.

"When the money of the new policyholder is being invested at a gross yield of less than 2¾% and we guarantee 3%, what becomes of our profession of mutuality, equity and concern for the existing policyholder?

"What we can do for the old or new policyholder you can rest assured our major competitors cannot do. We have undisputed, long time records to support this statement," Mr. Cleary writes.

He points out that Northwestern Mutual has been a leader in making such necessary readjustments in the past and that regardless of what the guarantee is policyholders will get all the company earns and that efforts to earn as much as possible will not be relaxed regardless of contract obligations.

He says that a year from now Northwestern people will be glad that their troubles, whatever they are, will have been met and that second operations will not be necessary.

Handy Booklet Gives Summary of S.E.U.A., P.L. 15

The insurance law section of the American Bar Assn. has issued a booklet entitled "Insurance as Interstate Commerce: the First Two Years." It is a concise yet comprehensive review of the events leading up to the S.E.U.A. decision and what has happened since then.

At the final plenary session of the National Assn. of Insurance Commissioners, Superintendent Dineen of New York, the association's president, called the members' attention to the booklet and praised it highly. The arrangement of pages makes the various headings evident at a glance and without opening the booklet. In addition to the summary itself there are an extensive bibliography and a list of cases. The booklet was prepared pursuant to a report by a special committee of the insurance section appointed by V. J. Skutt, Mutual Benefit Health & Accident, who was chairman of the section.

Four regional educational conferences, in California, Texas, Illinois and Mississippi are planned by American National for early in 1947.

Prudential Gets Its New Building Back from U. S.

NEWARK—Removal of the federal office of dependency benefits shortly will give Prudential its opportunity to take over completely its 23-story building at 213 Washington street, Newark. Prudential relinquished the skyscraper to the government shortly after its completion in the early days of the war.

At its peak the ODB employed 11,000, processed monthly benefit checks for 15 million dependents of more than 8 million soldiers. By Jan. 15 the remaining operations that are now carried on at the Newark office will be transferred to St. Louis. About 1,000 of the present personnel will go to St. Louis also. Six floors have already been vacated. The building also houses the war assets administration and the veterans administration.

H.O.L.U. to Hold Annual Meet in New York City May 26-28

The annual meeting of the Home Office Life Underwriters Assn. will be held at the Hotel Pennsylvania in New York City May 26-28. Details as to the program will be announced later. Reservations should be made through John A. Menchen at the Hotel Pennsylvania. There is likely to be an increase in the price of hotel rooms in New York City in the spring, A. C. Webster, H. O. L. U. secretary, said.

Childs Agency Celebrates

C. E. Childs, Denver manager of Minnesota Mutual Life, was host to the members of his agency at a dinner dance. The agency had paid for \$4,196,000 in 11 months. Harold Cummings, vice-president of Minnesota Mutual, phoned Mr. Childs during the dinner to congratulate the agency.

To Interview Candidates

The joint committee on education and training, at a meeting last week, authorized Vincent B. Coffin, representing L. I. A. M. A., and Clifford H. Orr, N. A. L. U., to interview candidates for director of an institution-wide education and training program. The projected intermediate training and education program would supplement what individual companies are doing. Headquarters of the director will be in New York.

The committee will meet again late in January.

Ninety-sixer Collects

Charles W. Parsons of White Plains, N. Y., retired secretary-treasurer of Phelps, Dodge & Co. of New York, was presented the other day with the proceeds of a life insurance policy of Penn Mutual when he became age 96 insurance-wise. The presentation was made by Robert W. Ebling, Jr., of the Carr R. Purser agency of Penn Mutual at New York. He was born at New York in 1850. In 1892 he was declined by one insurance company as "a bad risk" and in 1912 he was again rejected. However, the Penn Mutual physician passed him and the insurance was granted in that year.

Sells Cincinnati Building

CINCINNATI—Ownership of the 10-story Frederick Schmidt building on Government Square here passed from Western & Southern Life to a private corporation for a consideration of \$750,000.

Gordon Fish Waterloo President

WATERLOO, IA.—At a meeting of General Agents & Managers Assn. of Waterloo Gordon M. Fish, Central Life of Iowa, was elected president; Floyd Brant, Northwestern National, secretary, and R. B. McCune, Guarantee Mutual Life, treasurer.

December 27, 1946

New Ohio National CSO 2½% Program

(CONTINUED FROM PAGE 4)

shall pay an income to the time the insured would have attained age 65 but for not less than five years. The 1947 rider provides a guaranteed minimum period of four years. In the 1945 book there is no minimum guaranteed period for the three family income riders but, instead, the premium period is shorter

than the benefit period. In the 1947 rider, a minimum income period of four years is provided but premiums run for the full period.

The following chart gives a comparison between new and old gross premiums, the top line under each plan being the new tariff and the second line, the old; also a comparison of average annu-

al, 20-year net costs, which emphasizes that the plans showing the largest increase in premiums also enjoy a much larger increase in dividends; then a showing of average annual net cost if surrendered 20 years or premium period if less, and finally is set forth the years required to pay up or mature policy if all dividends left.

	Gross Annual Premiums—					—Av. Annual Net Costs 20—					—Av. Annual Net Cost If—					—Yrs. to Pay Up or Mature—				
	Age at Issue					Yrs. or Prem. Period If Less					Surrendered at 20 Years					Policy If All Dividends Left				
	15	25	35	45	55	15	25	35	45	55	15	25	35	45	55	15	25	35	45	55
Plan																				
Ord. Life	\$16.22	\$20.48	\$27.47	\$38.79	\$58.52	\$12.92	\$16.19	\$22.05	\$31.99	\$50.00	\$ 3.17	\$ 3.13	\$ 5.02	\$10.56	\$24.10	34-48	31-42	28-36	26-31	24-27
Ord. Pd. Up 85	16.18	20.11	26.49	37.55	58.09	13.20	16.39	22.41	32.90	51.79	5.20	4.84	5.96	10.65	23.24	36-51	32-44	30-39	28-33	23-27
Ord. Pd. Up 65	17.23	22.47	31.85	50.25	...	13.81	17.93	25.93	42.42	...	3.02	2.71	3.71	4.73	...	31-45	27-37	22-29	17-23	...
20 Pay.	16.93	21.58	29.79	46.54	...	13.91	17.77	25.52	41.44	...	4.96	4.32	4.62	5.29	...	33-47	28-39	24-33	18-28	...
20 Pay.	21.87	25.83	31.85	41.45	59.34	18.95	20.94	25.93	34.45	50.85	2.34	2.00	3.71	9.33	23.29	23-42	22-35	22-29	22-27	22-25
20 Pay.	20.71	24.30	29.79	39.32	58.09	17.68	20.44	25.52	34.66	51.79	3.83	3.44	4.62	9.66	23.24	24-46	23-39	23-33	23-29	23-27
20 Pay.	28.53	33.57	40.54	50.25	68.35	24.12	27.98	33.77	42.42	57.56	1.29	.41	1.09	4.73	15.54	17-42	17-35	17-28	17-23	17-20
20 Pay.	26.24	30.57	36.82	46.54	63.77	22.90	26.36	32.14	41.44	57.05	1.95	1.16	1.69	5.29	15.85	18-46	18-39	18-34	18-28	18-21
20 Pay.	35.45	41.74	49.97	60.82	77.03	30.53	35.66	42.73	52.59	67.86	2.94	2.15	2.59	5.62	14.57	13-42	13-35	13-29	13-23	13-17
20 Pay.	31.88	37.04	44.34	55.14	72.73	29.17	33.28	40.04	50.42	66.59	3.50	2.68	3.04	6.02	14.86	14-46	14-40	14-34	14-29	14-22
20 Pay.	49.60	58.15	69.04	82.61	101.51	43.99	51.75	61.93	74.73	92.64	6.54	6.09	6.79	9.37	17.27	9-42	9-36	9-30	9-24	10-19
20 Pay.	43.34	50.25	59.87	73.49	93.68	41.24	47.62	56.91	70.13	89.58	5.64	5.72	6.51	9.23	17.28	10-47	10-41	10-36	10-31	10-25
End. 65	19.03	25.13	36.09	...	...	15.64	20.64	30.22	...	...	2.68	2.08	2.25	...	...	32-41	28-33	23-26	...	...
End. 65	18.62	24.30	34.43	...	...	15.50	20.44	29.89	...	...	4.35	3.44	2.69	...	...	33-42	29-35	24-27	...	...
20 Pay. End. 65	31.71	37.69	46.02	...	...	26.94	31.83	39.08	...	...	.97	-.83	-.97	...	...	17-36	17-29	17-21	...	...
20 Pay.	28.73	34.20	42.20	...	...	25.53	30.16	37.57	...	...	1.13	-.14	-.78	...	...	18-40	18-32	18-25	...	...
20 Yr. End.	31.95	33.00	36.09	43.23	59.70	27.86	28.11	30.22	36.23	51.05	-.23	.07	2.25	8.31	22.66	24-27	24-26	23-26	23-25	22-25
20 Yr. End.	30.54	31.82	34.43	41.20	58.37	27.33	27.73	29.89	36.43	51.75	.43	.78	2.69	8.53	22.60	25-28	24-27	24-27	24-27	23-26
20 Yr. End.	39.22	40.04	42.57	48.46	62.69	34.57	34.64	36.28	41.97	53.79	-.21	-.192	-.02	5.33	19.05	21-23	21-23	21-22	20-22	20-22
20 Yr. End.	37.06	38.19	40.49	46.21	60.98	33.94	33.99	35.68	41.13	54.27	-.01	-.191	-.17	5.48	19.27	22-24	22-23	21-23	21-23	21-22
20 Yr. End.	50.38	50.99	53.02	57.77	69.81	44.99	44.91	46.06	49.81	60.34	-.01	-.509	-.394	-.19	10.34	18-19	18-19	17-18	17-18	17-18
20 Yr. End.	47.19	48.20	50.15	54.84	67.37	43.83	43.97	45.11	49.17	60.25	-.17	-.603	-.489	-.32	10.25	19-19	18-19	18-19	18-19	18-19
Ret. Ins. 65 M.	23.39	32.02	47.51	78.57	172.75	19.36	26.70	40.38	68.57	160.80	.24	-.125	-.344	-.10.83	2.00	...	...	...	...	...
(L. L. I. at 65)	22.33	30.96	46.04	76.43	166.40	18.84	26.26	39.30	66.08	154.36	-.26	-.169	-.450	-.13.32	-.4.44	...	...	...	...	...
Ret. Inc. 60 M.	29.30	41.52	61.67	118.85	...	24.71	35.31	56.04	108.33	...	-.121	-.394	-.940	-.10.53	...	...	...	...	...	...
(L. L. I. at 60)	28.02	40.17	62.83	115.90	...	23.84	34.34	53.97	103.63	...	-.201	-.486	-.11.43	-.15.24	...	...	...	...	...	...
Ret. Inc. 65 F.	25.46	35.01	52.11	86.44	191.40	21.23	29.40	44.57	75.78	178.83	-.16	-.198	-.495	-.13.37	-.53	...	...	...	...	...
(L. L. I. at 65)	24.32	33.86	50.52	84.27	184.37	20.57	28.74	43.14	76.78	171.24	-.78	-.261	-.636	-.12.37	-.7.06	...	...	...	...	...
Ret. Inc. 60 P.	32.15	45.74	71.40	131.69	...	27.23	39.07	62.13	120.38	...	-.180	-.506	-.11.28	-.12.63	...	...	...	...	...	...
(L. L. I. at 60)	30.76	44.26	69.41	128.60	...	26.17	37.83	59.64	114.80	...	-.283	-.622	-.13.76	-.18.27	...	...	...	...	...	...
15 Yr. Term.	...	9.69	13.16	21.12	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
15 Yr. Term.	...	10.16	12.37	19.16	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
10 Yr. Term.	...	9.17	11.96	18.43	34.24	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
10 Yr. Term.	...	8.85	11.56	16.52	32.15	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5 Yr. Term.	...	8.76	11.00	16.24	29.22	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5 Yr. Term.	...	9.61	10.96	14.57	26.61	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Select Econ.	...	12.16	16.09	22.49	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Planned Econ.	...	12.40	15.67	21.12	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Mod. 5	...	10.46	14.45	21.13	33.70	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
(Mod. Wh. Life)	...	10.73	14.33	20.76	33.12	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. P. Life	371.22	444.09	530.29	627.90	731.45	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. P. 30 Yr. End.	350.88	403.17	474.33	568.95	686.61	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. P. 20 Yr. End.	572.97	584.29	608.87	657.36	736.35	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. P. 20 Yr. End.	529.18	536.01	553.80	600.11	692.81	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. P. 20 Yr. End.	698.15	702.30	711.73	732.30	773.07	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
S. P. 20 Yr. End.	661.10	663.76	670.02	688.13	735.93	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Home Prot.	...	11.32	14.51	20.63	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
10 Yr. Plan B.	...	11.93	14.63	19.75	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Mod. 3	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
(Spel. Wh. Life)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

PUBLIC CONFIDENCE

The growth of a life insurance company is the measure of its acceptance by the public. The Great-West Life has more than One Billion Dollars of Life Insurance and Annuities in force—certain proof of public confidence.

The Company operates 74 branch and district offices throughout the United States and Canada.

THE
GREAT-WEST LIFE
ASSURANCE COMPANY

EDITORIAL COMMENT

No More "Sizzle"

Life insurance men exhibited much interest in the provocative talk of Miss Bernice Fitz-Gibbon, advertising director of Gimbel's store of New York, in addressing the American Assn. of Advertising Agencies, particularly in her criticism of advertising copy as containing "too much sizzle and too little steak."

This allusion quickened memories of the great advertising and merchandising slogan of a few years past, "Sell the sizzle instead of the steak" that permeated into life insurance selling. At that time, of course, we all thought it was a great idea. Just what the "sizzle" in life insurance was depended on the notions of each individual sales speaker

and composer of sales literature. In that respect it certainly must have been confusing, particularly to the new agent who thought that what he was going to sell was life insurance but was instructed that this was the last thing in the world that he was to do. That was horse and buggy stuff. The "sizzle" was the thing. We weren't literal minded enough about it at that time to think of such a slogan as being something hideously ghoul-ish.

Fortunately, today we are back on our feet again. Life insurance is a good thing to have and steak is a good thing to eat. Let's draw the curtain on the day of the "sizzle."

Prescribed Reading for Snake Killers

In the interest of preserving the sanity of our insurance legislative workers in the intense and probably bitter season that lies directly ahead, we give as prescribed reading "The Honorable John Hale" by Clifford Raymond, Bobbs Merrill, \$2.75. After a rugged afternoon's hearing on prior approval or subsequent disapproval or on a baby FTC act, the adrenalin outpourings of our insurance legislative friends will subside with a chapter of John Hale, especially the one on how Daisy Higgins engineers a "do pass" from the Illinois house fish and game committee (there by purposeful prank) on the votes for ladies bill by packing the room and blocking the exits with females and keeping them blocked far beyond the period of tolerance of the committee members. Also of uncommon therapeutic value is the chapter on the closing hours of the legislature.

This is a splendid tale of legislative and governmental humanism. Mr. Raymond knows in elaborate and revealing detail how they don't go by the book. He gets all the fun out of it with a mature sophistication.

Mr. Raymond shares the belief, we

think, of Mr. Joyliff that "you could overdo logic in most human affairs" and that as a science "government is damned unscientific."

Also:

"People who have a genius for governing themselves don't abide by many rules of law in doing it. They have habits. God knows we have enough laws but the way we run politics is mostly on the loose. And it works pretty well, pretty well, if you stop to consider that government has a hard time doing as much good as it does harm. The genius of our people is to be 'agin government and I think we make a kind of government that is easy to be against. They tell me the Germans have a pretty scientific kind of government but I wouldn't trust it. It looks square headed and dumb to me."

In tolerant, counsel of imperfection vein, Mr. Raymond weaves a tale that is what the doctor orders for our snake killers that are about to try their teeth on the files. And if there isn't \$2.75 worth of tonic in Part I of John Hale for them, their wives will make a good investment by reading Part II to the last punch line on page 370.

Need of Some Legal Training

A young man who is still in college and is the son of a very successful general agent has been studying the life insurance business largely from the home standpoint in conversation with his father. He has reached the conclusion that life insurance men in the field in the future who give adequate and correct service will get much benefit from some legal training. It may not

be necessary to take a complete law course in a college, but this young man declares that more and more life insurance is demanding legal interpretation.

In days gone by, a man's life insurance was not so intricate but that it could be understood thoroughly and did not require advice of an expert lawyer. What then might have been termed the complexities of life insurance were

adapted to the simplicity of a policyholder. Now the tide has changed. The simplicity of life insurance has to be adapted to man's complexities. In recent years, taxes, retirement plans, pension trusts, policy provisions in a man's business and relationships have brought life insurance into action along lines that were never found before. The lawyer

probably will exceed even the actuary in counseling the policyholder.

There is much virtue in this young collegian's decision. Legal knowledge will certainly make a producer far more valuable in his service. Agency training for advanced men will need to add an abridged but yet a very clear legal course.

PERSONAL SIDE OF THE BUSINESS

Louis G. Russell, Jr., manager of the new branch of Commonwealth Life at Mobile, called the Gulf Coast agency,



LOUIS G. RUSSELL

has been with that company since 1938 except for a period of war service.

George A. Boissard, chairman of National Guardian Life, is preparing to take a vacation trip to Arizona.

Benjamin R. Duffey, son of Parks P. Duffey, Richmond, Va., general agent of Connecticut General Life, is taking a course in business administration at University of Virginia preparatory to following in his father's footsteps and entering the life business. He expects to join Connecticut General.

Hill Montague, president Mutual Life of Richmond, Va., celebrated his 80th birthday anniversary Dec. 22. He is father of Hill Montague, Jr., secretary of Life of Virginia.

S. A. Oscar, president National Mutual Benefit, Madison, Wis., has been re-elected president of the Wisconsin state chamber of commerce. G. A. L'Estrange, vice-president and agency director Wisconsin National Life, Oshkosh, was elected a director for the third district.

Holgar J. Johnson, president of the Institute of Life Insurance, has been named chairman of the new commerce and industry committee to support U. S. participation in the International Management Congress to be held in Stockholm, Sweden, next July. The committee's function will be to acquaint American management with the purpose of the

congress, which is to provide management help to western Europe.

Harold M. Horne, associate actuary of Girard Life, became a two-times grandfather recently with the birth of Maurice J. Keating, Jr., to his daughter Carleen and her husband. Mr. Horne when he returned to the company from naval service, over a year ago became a grandfather for the first time with birth of a daughter in the Keating home.

A perfect model replica of the old U. S. S. "Arkansas" has been received by Commissioner McKenzie as a Christmas gift from Frank M. Speakman, Philadelphia actuary. Mr. Speakman, who is a trustee of the eastern state penitentiary, obtained the model from a prisoner in the "big-house" who put in almost a year constructing the ship.

DEATHS

Gladio D. Clymer, 84, formerly of Indianapolis, died in Brownsville, Tex., where he had been visiting a son. He was the oldest active agent of American United Life.

Presley H. Wilmeth, formerly assistant superintendent of Prudential in Indianapolis, died at Los Angeles. He was with the company more than 20 years, most of the time in a supervisory capacity.

William B. Edwards, 68, Oklahoma City life agent for 25 years, died there. He was the oldest associate of the Oklahoma agency of Massachusetts Mutual, which company he joined in 1921. He was born in Brownsville, Tenn., and went to Oklahoma in 1909, for a time at Purcell.

Dr. William H. Carpenter, medical director of Girard Life, died a week ago. He had been medical director since 1920 but suffered an injury in July, 1945, and since then had been inactive.

He was a native of New Jersey and a graduate of University of Pennsylvania. He practiced in Philadelphia from 1914 until entering service in the other war.

Mrs. Etta M. Laffin, wife of Herbert N. Laffin, Milwaukee, died after a long illness. They were married in 1895 and the next year moved to Milwaukee where Mr. Laffin entered the legal department of Northwestern Mutual Life. He retired two years ago as assistant counsel.

Frank A. Groves, 58, Massachusetts commissioner of savings bank life insurance, died of a heart attack at his home at Lowell. He had been in the banking business more than 35 years. He was a trustee of General Insurance Guaranty Fund of Massachusetts.

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FINANCIAL SIDE

\$80 Million in New Security Issues Go to Life Companies

NEW YORK—Three multi-million security issues have gone to life companies in the last week.

Monsanto Chemical Co. has placed with a group of five companies \$30 million of 2.65% 25-year debentures. Starting in 10 years, a sinking fund will retire half of the issue by the 1971 maturity date. About \$10 million will be used for the purchase of the styrene plant and other chemical facilities which Monsanto built at Texas City, Tex., for the government's synthetic rubber program. The rest will be used for expansion in other ways.

Two other debenture issues, each of \$25 million were placed privately by Celanese Corp. of America and Household Finance Corp. with life companies.

The Celanese debentures are 2.85%, due in 1966, and were bought by Metropolitan, Equitable Society, New York Life, Prudential, Northwestern Mutual, Aetna Life, Massachusetts Mutual, New England Mutual, and Penn Mutual. Celanese will add the proceeds to its cash reserves to use in its long-range expansion program.

The Household Finance issue of 2 3/4% sinking fund debentures due in 1971 was placed with Equitable Society to retire a like amount of bank loans.

Mutual Life Buys 7 Store Buildings

NEW YORK—In its first transaction under the 1946 amendment to the New York law permitting companies to buy real estate for investment purposes, Mutual Life has purchased seven large Sears, Roebuck & Co. retail stores. The company leased the stores back to Sears, Roebuck for a long term. The properties are at Brooklyn, Syracuse, Rochester, and Buffalo in New York state, and at Camden, Hackensack and Newark in New Jersey.

Municipals Again Attractive

Life insurance companies are reported to be getting back into the municipal bond field to some extent. Municipal issues recently have become much more attractive insofar as yield is concerned. Prices have been going down throughout the list. The reference point for municipal bondmen is the 3% New York 90's which reached a peak of 126, but now are down to about 113.

When the individual income tax rates were jacked up so steeply a few years ago, municipal bonds with tax exempt features became especially attractive to persons with large income and they bid the prices up to the point that life insurance companies could no longer afford to forego capturing their profits on municipal bonds. There was wholesale selling of municipals from life insurance company portfolios until today that category represents a very small portion of life insurance investments.

However municipal bond men say when the prices of municipals got to the point that the yield was in the neighborhood of only 1 1/2 or 1%, resistance was encountered. That was getting even too steep for the most highly taxed individual. The prices began to descend and they have reached the point where they have again become attractive to a number of life insurance companies, it is reported.

The municipal bond experts are pleased with this situation. They say

that the base is now being strengthened, that there is a wider range of investors interested in municipal bonds, and that is encouraging the bringing out of new issues.

Transfer of Small Case Men to Debit Successful

Frequently in an ordinary agency there arises the question of what to do in the case of an agent who, though he is a competent salesman, does not have contact with people of sufficient means to buy policies of any size. Such a man, though he insures a greater number of lives than many of his fellow agents, does not attain the volume which his manager feels that he must require from each agent. Yet the manager recognizes him as a good man and feels that he has a contribution to make to the business. One Chicago manager has solved this dilemma in two instances by placing such agents in industrial agencies and this has been beneficial to everyone concerned.

In the first place, the ordinary manager has rid himself of the liability which a low case agent is to his particular operation and at the same time has offered the agent he is discharging a position in which he will be guaranteed a salary which combined with commissions will give him a greater earning power than he has had as a purely ordinary agent. He has turned a case for hard feelings into good feelings.

The two ordinary men who have transferred to the debit, have been outstandingly successful. They are operating on debit which gives them a wide clientele of the class of people to whom they were selling exclusively ordinary coverage. They have had outstanding success in selling ordinary insurance in cases where previously only the industrial variety was carried. The salesmen find that the cases which were considered inadequate by their ordinary manager now do them a great deal of credit with their industrial manager. Where formerly they suffered from a dearth of prospects, they now have hundreds of them. Being basically well trained, intelligent, and reasonably skillful salesmen, they have made outstanding successes as industrial agents.

In these cases, the ordinary manager says he has derived terrific satisfaction in knowing that two men who have something to offer were not irreparably lost to life insurance and have found niches to the benefit of themselves and the business.

Lowry Assists Isaacson

Thorpe B. Isaacson, general agent in Salt Lake City for Lincoln National Life, has been appointed second counselor to the presiding bishop of the Latter Day Saints denomination. He retains his post with the company in supervisory capacity. Mr. Isaacson has selected J. E. Lowry, for the last eight years an agent with the company, as assistant general agent.

John C. Wideman, 77 of the Jamison & Phelps general agency of Northwestern Mutual in Chicago died there after a month's illness. He had been an agent of Northwestern Mutual continuously for 45 years.



"It's a wise investment . . . maybe by that time you will be able to buy something with money."

Happy New Year

May your production
be good, your average
policy higher, your termi-
nations lower, with a
resulting margin greater
in happiness and pros-
perity in 1947.



The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**



Heads Women's Committee

NEW YORK—Mrs. Lillian Joseph of the Joseph Agency of Home Life of New York in New York City, has been

appointed to serve as chairman of the women underwriters' committee at the National Assn. of Life Underwriters convention to take place in Boston next fall.

LIFE "IN THE FORTIES"

IN 1945—Our 40th Anniversary Year, the Company's gains exceeded any year in its long and notable record, but in —

1946-TO-DATE—

GAINS have FAR EXCEEDED THE ENTIRE YEAR of 1945.

—**GAIN OF INSURANCE IN FORCE** for first 10 months exceeded the entire year 1945 by \$6,000,000. Total in force is over \$172,000,000.

NEW PAID BUSINESS 70.% ahead of the same period last year.

EARNINGS OF FIELDMEN continue to climb (Full-time men averaged \$8,485.00 in 1945).

Economic conditions are important, but careful selection, thorough training, constant retraining, adequate modern working tools—including an unusual rate book, giving instant answers to programming problems, a happy family type relationship between field and Home Office, are also most important factors.

Indianapolis Life Insurance Company

Indianapolis 7, Indiana

A Quality, Legal Reserve, Mutual Company

Agency opportunities in Evansville, Indiana; Davenport, Iowa; Austin and Corpus Christi, Texas and in a few other choice cities in Indiana, Illinois, Ohio, Texas, Michigan, Minnesota and Iowa.

A. H. Kahler
2nd Vice-President
Supt. of Agencies

Edward B. Raub
President

1947 will be a year of opportunity for those who are prepared to meet its challenge. Purchasing power will still be high, but the buying public will be more selective.

Central Life field men are fully equipped to meet this challenge with a full line of policy contracts and sales aids. Liberal commissions assure them a continuance of banner earnings.

Write today for complete details.

CENTRAL LIFE

Insurance Company

OF ILLINOIS

Alfred MacArthur, President

211 W. Wacker Drive

Chicago 6, Illinois

Insurance in force—MORE THAN \$130,000,000

AMONG COMPANY MEN**Hopf Colonial Pa. Manager; Baer to Home Office**

Colonial Life has appointed Rudolph Hopf as Pennsylvania state manager.

Mr. Hopf attended Lafayette College. He joined Colonial Life at Easton, Pa., in 1933. Later he was advanced to field manager there. Subsequently, he served as manager at Dover, N. J., Newburgh, N. Y.; Bridgeport, Conn., and Mt. Vernon, N. Y. Last March he was brought into the home office as administrative assistant in the agency department.

Mr. Hopf will have headquarters at Philadelphia, and will be assisted in western Pennsylvania by Orion W. King, home office representative.

Robert L. Baer, manager at Elizabeth, N. J., is transferred to the home office to take over the office of administrative assistant.

Mr. Baer attended Pottstown Business College. He began with Colonial in 1941 at Pottstown. In 1944 he was transferred to Newark as field manager. He later became manager at Perth Amboy, N. J., and then manager at Elizabeth. Mr. Baer will assist James J. Raidy, Colonial Life's agency secretary.

Neebe Joins Union Labor Life as Vice-president

NEW YORK—Henry G. Neebe is joining Union Labor Life as vice-president and actuary to succeed James K. Woolery who is going with Occidental Life of North Carolina. Mr. Neebe has been with Metropolitan Life in the actuarial department since 1929 when he graduated from Wesleyan University, except for a period spent in service.

New Manhattan Director

Thomas M. Hunter, president of American Transformer Co., Newark, has been elected a director of Manhattan Life.

Five H. O. Changes by Sun Life, Md., as Rothschild Resigns

Felix Rothschild, agency vice-president of Sun Life of Baltimore, will resign that position on Jan. 1. Mr. Rothschild's retirement brings about a number of changes in the home office setup.

Jose L. Hirsh, agency secretary, becomes agency vice-president succeeding Mr. Rothschild. Mr. Hirsh joined the company in 1921 as a clerk in the home office, then going to Baltimore as an agent. Later he became assistant manager there. In 1925 he opened the Sun Life offices in Washington and Cleveland. In 1933 he returned as manager at Baltimore, and three years later he was made ordinary supervisor at the home office. Mr. Hirsh became assistant secretary of agencies in 1940, and agency secretary in 1945.

Jay Nusbaum, second vice-president, becomes vice-president. He joined Sun Life in 1905 and has been successively assistant secretary, secretary and second vice-president.

Abraham Kenigson, third vice-president and actuary, is promoted to vice-president and actuary. Mr. Kenigson joined the company in 1921 and became assistant actuary a few years later. In 1939 he was made actuary and was elected third vice-president and actuary last year.

Harvey Kesmodel, Jr., publicity manager and agency representative, becomes sales promotion manager in the agency department. Mr. Kesmodel joined Sun Life in 1925 and has been in agency department work. He is editor of the company publication, and will continue in that position.

Louis J. Adler, agency department representative, becomes assistant to the vice-president in the agency department. He joined Sun Life in 1937 at Baltimore. In 1939 he was made assistant manager. He spent almost five years in the army.

Mutual Benefit Ups Hubbard and Ennis

Russel B. Hubbard was promoted to cashier and Edward M. Ennis was elected assistant cashier of Mutual Benefit.

Mr. Hubbard, who has been assistant cashier of the company since March, started with Mutual Benefit in 1923 on graduating from high school. Before long he was transferred from his original job in the mail department to a position in the mortgage division of the finance department where he remained until he joined the cashier's department in 1926.

Mr. Ennis also started his business career with Mutual Benefit as a mail boy in August, 1926, and was transferred to the cashier's department the following year. Upon his discharge from the navy in 1945, he returned to his former position.

Both Mr. Hubbard and Mr. Ennis belong to the Veterans Club for employees who have been with the company at least 20 years.

Halverson, O'Connor Named Occidental Ass't Controllers

A. G. Halverson and J. A. O'Connor have been elected assistant controllers of Occidental Life.

Mr. Halverson was a clerk for Federal Reserve Life in Kansas City when that company was reinsured by Occidental in 1936. Two years later he was transferred as cashier to the Chicago branch office and in 1940 entered the

MANAGERS

Warns Against Industry Peril

SAN ANTONIO—W. W. Jackson, vice-president of American Hospital & Life, in an address before the San Antonio life managers club, spoke of life insurance as the bulwark of free enterprise and warned of threats against it and its service. Among the threats, he said, are plans for the expansion of the social security plan.

T.C.U. Class Has Dinner

A dinner for the third class in life insurance marketing at Texas Christian University was given this month by the Fort Worth Managers & General Agents Club. A. R. Jaqua, director of the insurance course at Southern Methodist, was speaker.

Minneapolis Managers Elect

The Minneapolis Life Managers Assn., at the annual meeting elected F. R. Ilsen, Northwestern Mutual; J. D. Serrill, American Mutual, and Carl R. Litsheim, State Mutual, as directors for three years. They and holdover directors will meet later to elect officers.

Johnson Columbus Speaker

H. J. Johnson, president Institute of Life Insurance, will speak at the leaders dinner which the Columbus Association of Life Managers & General Agents will give next month in honor of members of the various agencies who wrote the largest volume of insurance and largest number of lives in the last year.

ACCIDENT

Milwaukee Doctors May Leave State Society

Summons has been served on the Medical Society of Milwaukee County in connection with an action to be started by Wisconsin State Medical Society over the battle for control of Surgical Care. The latter is a prepaid medical care plan that has been operated by the Milwaukee county society, and the Milwaukee doctors have been refusing to turn it over to the state organization, as directed by the house of delegates last October. Also named as defendants are the directors and three of the officers of Surgical Care, and Commissioner Duell, who was included because questions involving the insurance laws are at issue.

The Milwaukee county society is holding a meeting Dec. 30 to vote on a proposal to divorce itself from the state organization.

Boyce A. & H. Supervisor

F. Hays Boyce has been named supervisor in charge of the accident and health department of the Preferred Insurance General Agency of Portland, Ore. E. W. Eggen is general manager.

The agency represents the commercial accident and health division of Continental Casualty and is also Oregon general agent of Guardian Life.

Mr. Boyce is a graduate of Guardian's training school and has been with the company for a year. Previously he was with W. O. Hall & Co. and Commercial Sales Co.

Revives Production Club

Pacific Mutual Life has revived its weekly production club for agents of the railroad department.

Loventhal C.L.U. Head

NASHVILLE—Sam Loventhal, Northwestern Mutual, has been elected president of Nashville C. L. U., succeeding H. Martin Nunnelley, Massachusetts Mutual. L. D. Crews, New York Life, was reelected secretary.

home office in Los Angeles as head of the planning department. In 1942 he was granted a leave of absence to become a civilian employee of the engineering department of the army in Africa and India. He returned to the company in 1944 in the controller's department.

Mr. O'Connor joined Occidental June 1 as group secretary following seven years' experience in life insurance. He first became agent for W. A. Alexander & Co. in Chicago and three years later became district group supervisor for Provident Life & Accident. In 1944 he was named administrative manager of Continental Casualty's group department in Chicago and left that position to accept his Occidental post.

D. J. Bannon, Jr., Returns to Mutual Life as Asst. Counsel

David J. Bannon, Jr., is rejoining the law department of Mutual Life as an assistant counsel.

Mr. Bannon first became associated with Mutual Life in 1942, but left two years later to join the New York law firm of Amend & Amend. He was graduated from Fordham University in 1929 and from Fordham law school in 1932.

Cromwell Now Comptroller

John W. Cromwell has been elected comptroller of Great American Reserve of Dallas.

He started with that company in 1938, and has been continuously with the organization except from 1942 when he entered the army. He advanced from the rank of private to captain.

He returned to the Great American Reserve in the capacity of auditor.

T. Bryden Is Advanced

TORONTO—John T. Bryden has been appointed assistant general manager of North American Life of Toronto.

Mr. Bryden was formerly executive assistant. He joined the investment department in 1929 upon graduation from University of Toronto, and became assistant treasurer in 1934. He has served as both assistant treasurer and executive assistant since 1944.

Kuhn Actuarial Aid

Robert W. Kuhn has been appointed assistant in the actuarial department of Standard of Oregon. He is a navy veteran and a native Oregonian. He was a student at Reed College until 1942, when he was called to active duty with the navy. For a year prior to discharge last December, he was stationed in Hawaii.

Williams Talks on Cal. Law

LOS ANGELES—B. D. Williams, manager of the group department of the Walter G. Gastil agency of Connecticut General Life, spoke before the Associated Agents Committee on the California disability law.

WANTED: LIFE INS. EXECUTIVE

New England company is seeking the services of a well-qualified man familiar with agency department operations, and able to carry his share of the administrative and training load. Position requires a man between ages 30 and 40 who is a supervisor or assistant in the field, or is now in home office agency department. Write giving complete history. Send photo. All replies confidential. Our men know of this advertisement. Company executive will be in city for interviews within next 10 days. Address J-75, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

THE EXTRA MAN IN YOUR ORGANIZATION



To the busy broker, who needs another four or five hours in each day, Connecticut General can offer a valuable service, rendered by men who know brokers' and clients' problems. These men, serving a constantly increasing number of brokers throughout the country, bring to their work with you wide experience and the broad facilities of the Connecticut General organization for handling all forms of life, accident, health and retirement plans, both individual and group, to meet personal or business needs. Their contact with Connecticut General's Advisory Bureau can be of particular value in solving intricate problems that may arise.

A Connecticut General brokerage specialist is ready to be the EXTRA man in your organization. Call him at your nearest Connecticut General office.

CONNECTICUT GENERAL

LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT



BETTER SERVICE
THROUGH BETTER MEN
LIFE INSURANCE, ACCIDENT AND
HEALTH INSURANCE, SALARY
ALLOTMENT INSURANCE AND AN-
NUITIES, ALL FORMS OF GROUP
INSURANCE AND GROUP ANNUITIES



NON-CANCELLABLE
HEALTH and ACCIDENT
ALL FORMS OF LIFE
INSURANCE

THE

Paul Revere

LIFE INSURANCE COMPANY
OF WORCESTER, MASSACHUSETTS

LIFE AGENCY CHANGES

Kail, Jones Conn. Mutual Gen. Agents

Two Connecticut Mutual general agents have formed partnerships with junior members of their organizations. Melzar C. Jones is now associated with Phineas Prouty, Jr., general agent at Los Angeles, and Harry H. Kail with

Sidney B. Rosenbaum, general agent at Cleveland. Both Mr. Jones and Mr. Kail have been designated general agent.

Mr. Jones has been associated with Mr. Prouty since 1942. This agency is one of the largest and for the first 11 months of the year ranked second in new business. Mr. Jones is a native of Colorado and began to sell life insurance while a student at Colorado College. Moving to California in 1934, he

became an agent for Mutual Benefit and in 1940 was appointed supervisor of a new unit which produced a million of paid business in 1941.

Mr. Jones became associated with Mr. Prouty in 1942 as supervisor and under his direction the brokerage production of the agency tripled. He was promoted



M. C. Jones



H. H. Kail

to assistant general agent in 1945. He qualified for the company's supervisor corps three times and twice won the Lyter award, the highest honor offered to supervisors.

Mr. Kail entered the Cleveland agency in 1931 as cashier and the following year won the cashier's award offered by the company. In 1935 he became a full time agent and made an outstanding record. Two years later he was named manager for another company and in 1939 returned to the Cleveland agency of the Connecticut Mutual as agency supervisor. He won membership in the supervisor corps for seven consecutive years. In 1945 he was named assistant general agent.

David L. Caulkins and Robert S. Caulkins will continue as associate general agents at Cleveland.

Rankin Portland, Ore., G. A. of Ohio National

John H. Rankin, Portland, Ore., general agent of Minnesota Mutual Life, who wrote his first policy 20 years ago, has been appointed general agent of Ohio National Life in northwestern Oregon and southern Washington.

His son, Robert T. Rankin, recently discharged from the army, after serving with the adjutant general's department in the Pacific, will be associate general agent.

Kornhause with Franklin

Tom Kornhause, Wichita life man, who was a well known athlete at the University of Wichita and a successful coach in recent years, has been appointed general agent for southwest Colorado by Franklin Life at Durango. At Wichita he was with Lincoln National for some time.

Oregon Aid

Manufacturers Life has appointed Dale L. Brown as agency assistant at Portland, Ore., to work with Branch Manager G. G. Cato.

Mr. Brown joined the Manufacturers Life about a year ago after his release from the army air corps, where he had served for 3½ years, reaching the rank of lieutenant. Prior to his war service Mr. Brown had several years' life insurance experience.

T. H. Leeming has been appointed acting district manager at Victoria, B. C., to succeed H. A. Elwood, who has resigned. Mr. Leeming joined Manufacturers Life at Victoria in 1939 and he served in the navy in the war.



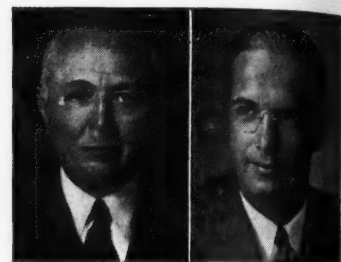
Dale L. Brown

Freid and Marks New England Mutual New York Team

New England Mutual Life announces that Isadore Freid, general agent at New York for the past 21 years, is taking into partnership his associate, David Marks, Jr. The firm will be known as Freid & Marks, general agents.

Since entering life insurance in 1930, Mr. Marks has received wide recognition because of his knowledge of technical tax problem and employee pension planning.

A life and qualifying member of the Million Dollar Round Table, 1942-46,



Isadore Freid David Marks, Jr.

he was New England Mutual's leading producer for three of these years, and in 1943 paid for more new insurance than had ever before been written by one new England Mutual agent.

Mr. Marks was born at Newark and attended Lehigh University. He earned his C.L.U. designation in 1940 and was elected president of the New Jersey C.L.U. chapter the following year. He is a charter member of the New Jersey Trust Council and was a director of the New Jersey State Assn. of Life Underwriters from 1938 to 1942.

Mr. Freid joined New England Mutual 40 years ago, and in 1925 was appointed general agent at New York to open a new uptown agency. An overseas naval veteran of the Spanish-American war, he attended New York University and graduated from New York College of Pharmacy.

Mr. Freid was president of New England Mutual's General Agents Assn. in 1937, and his agency won the President's Trophy in 1942 for outstanding excellence. He is a past commander, Old Guard Camp, U.S.W.V., and is active in life underwriters associations and in Jewish charities. He is a charter member and past president of the Midtown Managers Assn.

C. H. Fowler Heads New Cal-Western Unit at L. A.

California-Western States Life has opened a third Los Angeles agency in charge of Clifford

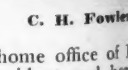
H. Fowler, who until recently has been general agent for Pacific Mutual Life at Cedar Rapids, Ia. The office is at 606 Hill street.

Mr. Fowler from 1936-44 was general agent for Monarch Life at various places in New Hampshire, New York and Illinois. He resigned as general agent at Peoria to go to the home office of Pacific Mutual as an accident and health supervisor and later became Cedar Rapids general agent.

The Fowler office will be designated as the Paramount agency.

Welch Handles Group in Okla.

Barney Welch, Tulsa, has been appointed Oklahoma group representative



C. H. Fowler

"The Company Back of the Contract"



Fidelity came into existence about the same time as the telephone. It antedates the trolley car, the automobile, the modern skyscraper. When Fidelity started to do business, wireless telegraphy and radio were unthought of; airplanes and submarines were but dreams.

Age alone is not conclusive, but coupled with success it indicates wise management and offers a foundation of confidence.

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY

The Parkway at Fairmount Avenue
PHILADELPHIA

E. A. ROBERTS, President



Ray E. Button, Reinsurance Director

Chicago

Complete REINSURANCE Service

LIFE — ACCIDENT — HEALTH
ALLIANCE LIFE
Insurance Company

by John Hancock Mutual and will establish headquarters in Tulsa.

M. A. Nation, Jr., General Agent

M. A. Nation, Jr., son of M. A. Nation, late president of Modern Life, has been appointed general agent for St. Paul and Minneapolis with offices at 403 Pioneer building, St. Paul.

W. Carl Bargmann has been appointed assistant manager of New York Life at Butte, Mont. He has been with New York Life since 1935 except when he served in the army air force.

Miss Flora McDaniel, who resigned Nov. 30 as executive secretary of the Indiana department of conservation, has joined the Indianapolis office of Connecticut Mutual as administrative assistant.

AGENCY NEWS

Frei Agency Gathering

The annual gathering of the Earl H. Frei agency of Mutual Life at South Bend brought together almost all the agents, their wives and the office force. Mr. Frei outlined the objectives for 1947 and a number of leading producers gave messages. Alden C. Palmer of the R. & R. Service was guest speaker.

Horton Host to Staff

Lester Horton, Newark general agent of Home Life, will be host to his agency staff and their wives at a dinner and theater party Dec. 27. W. P. Worthington, vice-president in charge of the agency department at the home office, and Mrs. Worthington will be among the guests.

Fete Danford at Cleveland

The Cleveland agency of Mutual Life held a dinner Dec. 19 honoring E. C.

Danford, who becomes manager Jan. 1. Alexander E. Patterson, executive vice-president; Roger Hull, vice-president and manager of agencies, and Stanton G. Hale, assistant superintendent of agencies in the eastern division, were on hand from the home office.

Lewis Agency Holds Dinner

NEWARK—The annual dinner-dance of the Arthur Lewis agency of Pacific Mutual Life was held Monday. The Newark agency made a 101% gain in new business volume this year over 1945 and 200% gain in paid premiums.

CHICAGO

INVITATION IS EXTENDED

An invitation is extended by the Women's Finance Forum of Chicago to insurance people to attend its meeting the evening of Jan. 30 in the Chicago Board auditorium, Insurance Exchange building, when three insurance speakers will be featured and will answer audience questions. The speakers are Harold R. Gordon, managing director Health & Accident Underwriters Conference; Paul W. Cook, general agent Mutual Benefit Life and president Chicago Life Underwriters Assn., and Roy L. Davis, western representative of Assn. of Casualty & Surety Executives.

These meetings are by no means confined exclusively to women. There is a charge of \$2 and reservations should be made through Mrs. Lorraine Blair, 401 Fullerton Parkway. Mrs. Blair is chairman of the forum. She is also an insurance broker with headquarters in the office of Redfield Associates. Refreshments will be served after the meeting.

MILLION IN 10 MONTHS

Aubrey Peters of New York Life in Chicago, attached to the central branch, in 10 months this year produced \$1,035,000. He was formerly agency director in one of the other branches and made a reputation for developing sales ideas and programs. He got into war service and on his return to Chicago he notified his company that he did not desire to be an agency director, but wanted to devote his entire time to personal production. He is an ardent student of the business and a very industrious field man.

BAXTER-COOPER PARTY

The annual Christmas party of the Baxter-Cooper agency of Chicago was held Monday with a large turnout of executives of Federal Life and North American Life of Chicago. Baxter-Cooper agency at Chicago is general agent for Federal Life. It also has a general agency at Milwaukee for North American Life. The agency also operates in New Jersey with headquarters at Newark and in California, with offices at Los Angeles and San Francisco. Louis Baxter just returned to Chicago from a California trip. The agency specializes in a home protection plan working through building and loan associations. Its business is flourishing.

RECORDS

PILOT LIFE—Insurance in force at the end of November was \$348,274,434, an increase for the 11 months of \$51,125,428 or 27%.

ACACIA MUTUAL—November business was \$8,911,722, making a total for the first 11 months \$105,297,090, over 27% above 1945, the biggest previous year. Insurance in force has now reached \$704,963,098.

SUNSET LIFE—Will conclude 1946 as its most successful year since 1938. New insurance paid-for during the year was more than 200% of the writings for the previous year. The company attributes a large measure of this increase in sales to its liberator protective investment plan placed on the market in mid-year.

NEWS OF LIFE ASSOCIATIONS

Hobbs, Mrs. Eberly to Speak at West Coast Sales Meet

SAN FRANCISCO—Thomas A. Jovick, Penn Mutual Life, general chairman of the 1947 northern California sales congress, sponsored by the San Francisco Life Underwriters Assn. for Jan. 16, has completed his program, which includes among speakers Philip B. Hobbs, president of the National

Assn. of Life Underwriters, and Mrs. Marion Eberly, head of the women's division of the Institute of Life Insurance.

Mrs. Eberly will discuss "Winning the American Woman," while Mr. Hobbs' subject is "The Outlook for 1947." Mrs. Eberly will be the guest of honor at a luncheon arranged by women attending the congress.

Other subjects and speakers are: "What Does the Future Hold for the New Underwriter?" M. L. Robinette,



"Christmas to Come"

ANY DAY NOW and Christmas will be here. What to buy for Junior?

If Junior's still in diapers, he won't care—not this year. But a little man with a big future needs a little policy with a big future—Junior Estate.

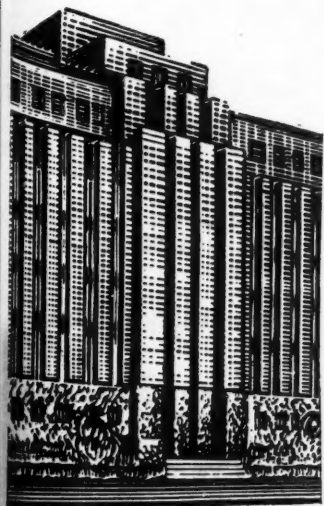
Until he's 21, it builds cash values—available if needed for schooling. Then, if it hasn't been used for schooling, each \$1,000 of boy insurance becomes \$5,000 of man insurance—Ordinary Life with premiums of \$9 to \$12 per thousand—less dividends!

P.S.—Some dads like a big policy with a bigger future for their children. We issue as much as \$15,000 of Junior Estate—ultimate face amount, \$75,000.

Occidental Life Insurance Company
of California

V. H. JENKINS - VICE PRESIDENT

"We pay lifetime renewals — they last as long as you do"



BANKERS Life COMPANY
DES MOINES

1907

Thirty-Ninth Year

1946

ORDINARY LIFE
INDUSTRIAL LIFE
INDUSTRIAL HEALTH AND ACCIDENT
CREDIT LIFE
MORTGAGE CANCELLATION

INSURANCE
MISSOURI INSURANCE COMPANY

J. C. WEST
President

Home Office
St. Louis 1, Mo.

H. G. ZELLE
Exec. Vice-Pres.

Beneficial Life, San Jose; "Debit Man—Family Insurance Specialist," R. V. Martinelli, Prudential; "The All Important Intangibles," Al Gaumer, California-Western States Life, Red Bluff; "Recollections of a Lawyer-Soldier," Henry Clausen, former member of the army Pearl Harbor board and special investigator for the secretary of war on Pearl Harbor; "Is Education Necessary for Career Men?" M. L. Scott, Los Angeles; "Business Insurance Works for Me," S. L. Coombs, Oakland.

Program for Congress

Mr. Jovick will open the congress followed by R. Edwin Wood, Phoenix Mutual, president San Francisco association. Lou K. Newfield, Equitable Society, president of the Oakland-East Bay Life association, will handle the afternoon session. R. F. E. Wiedemann, Equitable Society manager, San Francisco, will preside at the luncheon.

California State Officials

Eulogize: Warn of More Laws

LOS ANGELES—Lieut. Gov.-elect Knight of California paid tribute to the life insurance business at the legislative dinner here under the joint auspices of the Life Underwriters Assn. of Los

Angeles and 11 other southern California life organizations. More than 300 were in attendance.

Philip L. Boyd, assemblyman from Riverside county, said there will be more health insurance bills at the coming session of the legislature. He pointed out that approximately 100 changes were made in the insurance code by the 1945 legislature.

The committee in charge of dinner arrangements consisted of: W. K. Murphy, Northwestern Mutual Life, chairman; Ray H. Finger, Sun Life of Canada; Troy M. Zigler, Prudential; Rolla R. Hayes, New England Mutual Life; Kellogg Van Winkle, Equitable Society, and Gerald W. Page, Scott & Co.

Cancel Va. Caravan

RICHMOND—The caravan sales congresses scheduled by Virginia Assn. of Life Underwriters to have been held in Norfolk March 17, Richmond, March 28, Roanoke March 29, have been canceled because of mid-year meeting of N.A.L.U. to be held at Roanoke March 15-18.

Newark Hears Talk Not Cheap

Alvin C. Busse and Alan Coutts, New York University speech professors, spoke on "Talk Is Not Cheap" at the

Life Underwriters Assn. of Northern New Jersey noon meeting in Newark.

In a dramatic presentation they stressed that talk instead of being cheap, can actually cost money. They said to speak effectively a man has to be objective in his talking and thinking and stress how the other person will benefit from the plan being talked about.

More than 250 toys for the Home & Hospital for Crippled Children were donated by the members, and a \$500 check from both the agents and the General Agents & Managers Assn. was raised for the "Newark Evening News" neediest families. Bill Gilbert, president of the Supervisors' Association, spoke of the needy family cause.

Detroit Secretary Resigns

Dorris M. Stephany has resigned as executive secretary of the Detroit Assn. of Life Underwriters to become associated with Albert E. Jones, an insurance man who is specializing in group insurance and has a plan with the Manufacturers Assn.

Speak in Radio Program Series

Irvin Hurst and M. P. Massad, New York Life, Oklahoma City, spoke on the educational program over WNAD at Norman. This was the 12th weekly program of this type presented by the educational committee of the Oklahoma Assn. of Life Underwriters. The series is to continue through January.

Chicago—M. M. Matson of the Cleveland agency of Mutual Benefit Life, a former practicing attorney who has been selling life insurance for 15 years, will talk on "Business Insurance" at the Jan. 23 luncheon meeting in the Midland hotel.

Asbury Park, N. J.—James G. Bruce, vice-president and secretary of Colonial Life, spoke on "The Mission of the Combination Company Agent." He called attention to the important part played by combination companies in the field of life insurance.

Martinsville, Va.—A dinner-meeting was held at which A. T. Dickinson, Martinsville, and F. L. Whitlock, Richmond, discussed insurance selling and salesmanship training.

Lincoln, Neb.—Members entertained their wives at a Christmas dinner and party.

Oklahoma City—At the final meeting of the year, Dec. 20, with about 100 in attendance, J. D. Finlayson, Massachusetts Mutual, Ann Arbor, Mich., discussed "Helping the Professional Man to Buy Insurance."

Marion, Ind.—Declaring that 80% of the insurance policies are sold to women, Miss Mary Hostetter, Indianapolis, said further that they control 80% of the wealth of the world and also spend 85% of the income.

Wausau, Wis. (Wisconsin Valley)—J. L. Johnson of Madison, Wis., field service manager Wisconsin Life, spoke at the monthly luncheon meeting.

Oshkosh, Wis. (Fox River Valley)—At a dinner meeting, Larry E. Balza, New York Life, Green Bay, discussed "Selling Needs" with emphasis on estate conservation.

Columbus—Three talks by laymen were an innovation at the December meeting. They were Dr. H. L. Yochum, president Capital University; Allen Gunderheimer, head of the Fashion department store, and C. C. Cole, city safety director. Dr. Yochum said at one time many Christian people thought life insurance was a form of gambling but now look on it as economically and ethically sound. Mr. Gunderheimer said that if he were to issue a financial statement of his assured net worth he would confine it to the value of his life insurance and government bonds.

J. F. Dewey resigned as director because of ill-health. Membership now is 398, a gain of 34.

Northeastern Wisconsin — Robert A. Judd, retired general agent of Phoenix Mutual, spoke on "The Life Underwriter's Daily Dozen". He explained means for an underwriter to organize his work and make the most of his time.

President Clarence Nault, Business Men's Assurance, Green Bay, presided.

Springfield, Ill. — Roger R. Bourland, vice-president of "Rough Notes," spoke before 108 members on the "Swing to Life Insurance". A dues increase was voted.

Northeast Nebraska — About 50 members and guests were on hand for the annual Christmas party last week. President D. C. Lockman gave a short talk and then the meeting settled down to an exchange of gifts and entertainment.

Washington, D. C.—Hampton H. Irwin from the home office of Massachusetts Mutual will speak Jan. 16.

Dues for agents have been increased from \$15 to \$18 a year and from \$24 to \$27 for managers and general agents.

Syracuse, N. Y.—The Christmas party was held at Drumlins. Members presented five skits with insurance themes. Harry G. Remington was chairman of arrangements and William Cunningham master of ceremonies.

Nagara Falls, N. Y. — The newly-formed association has elected these officers: Raymond H. Turver, president and national committeeman; Ralph A. Dutton, vice-president; Albert A. Cummings, treasurer, and Alvin E. Katz, secretary.

Life insurance men who had contact with the Institute of Life Insurance in its formative days will be interested to know that Ben J. Cothran, account executive of the J. Walter Thompson Advertising Agency on the institute account, has been appointed to head the 303rd cavalry group (mechanized) of the 1st army organized reserves. Col. Cothran, who is 38, fought with the 9th Armored Division across France in the battle of the Bulge, which went on to take the Remagen bridge across the Rhine. As operations officers and later executive officer of the division's combat command B, he helped to lead that unit in exploiting the Remagen breakthrough and the encirclement of the Ruhr region. He holds the silver star and the bronze star with cluster. He is now back with the Thompson agency.

GREAT AMERICAN INSTITUTIONS



Free Speech

FREE SPEECH is one of the birthrights of an American. The soap box orator, the daily newspaper, the radio commentator all are symbols of this great American institution—the privilege of saying what we think, even if it's against the "in's."

Life insurance, too, is one of the foundation stones of the American way. It makes the nation strong because it puts backbone into the American family.

GIRARD LIFE

INSURANCE COMPANY . . . PHILADELPHIA

Next Year?

Can't tell as to volume

until a year from

now. But service to

their policyholders?

Ask any Guardsman.

They've each had a

lot more experience.

Gardian Life
Insurance Company

Madison 1, Wisconsin

NEWS OF THE COMPANIES

Inter-Ocean Cas. Approved to Enter Life Insurance Field

Inter-Ocean Casualty has been approved to write life insurance, and will begin writing business as soon as administrative details have been worked out. The company will change its name to Inter-Ocean Ins. Co.

Inter-Ocean is incorporated in Indiana and has executive offices in Cincinnati, O. It presently is an exclusively accident and health writing company.

Inter-Ocean began doing business as Woodmen Modern Protective Assn. in Springfield, Ill., in 1903, and in 1907 was reorganized as a stock company and changed its name to Woodmen Casualty Co. It became Inter-Ocean Casualty in 1913. It acquired Consolidated Casualty in 1917 and the disability business of Pilot Life in 1931.

Premium income of Inter-Ocean for 1946 is estimated at a little less than \$3 million and the first 11 months operations indicates substantial gains in assets and surplus to policyholders. The company is licensed in 22 states and the District of Columbia. Its writings include commercial monthly premium, industrial, railroad franchise, and payroll mine insurance. Franchise group and individual family group hospital are also written.

J. W. Scherr is chairman and treasurer, W. G. Alpaugh is president and superintendent of agencies, H. A. Converse is vice-president. J. W. Scherr, Jr., is vice-president and secretary.

Now Mutual Service Life

Cooperators Life Assn. of St. Paul, which is a fraternal organization, is being converted to a mutual legal reserve life company under the name of Mutual Service Life. This is one of the units of a group of life, fire and casualty companies in Wisconsin and Minnesota. The other companies include Cooperators Life Mutual of Milwaukee, Cooperative Insurance Mutual, an automobile insurer of Milwaukee and Cooperative fire insurance companies at Superior, Wis., and St. Paul. Just recently B. F. Ihlenfeld was appointed director of sales for the five cooperative companies with headquarters at St. Paul. It is understood that plans are under way to unify the five companies to an even greater extent.

Washington National Votes Stock Increase

Stockholders of Washington National voted to increase the company's capital from \$4 million to \$5 million by a transfer of \$1 million from surplus to capital account. George R. Kendall, president, stated that the company in 1946 had enjoyed the best year in its history and that it was expected that year-end figures would show the level of surplus to be as high as it was before the transfer was made.

White Heads New Company

DENVER—President of the newly licensed Professional & Business Men's Life of Colorado is William P. White. Miss Dorothy L. Bails is secretary. The office is in the Midland Savings building here. It is licensed for life and accident and health. The paid in capital is \$100,000 and the authorized capital is \$250,000.

New American Travelers Setup

Elmer Sherwood, national director of the Americanism commission of the American Legion, has been elected president of American Travelers Life of Indianapolis. Mr. Sherwood and H. L. Barr of Indianapolis purchased the charter of the company six months ago and moved it from South Bend to Indianapolis. Mr. Barr is secretary-treasurer. The company writes accident, hospitalization and life insurance.

Colonial Life has paid a dividend of \$1 per share.

POLICIES

Union Mutual Dividends for 1947 Shown

Union Mutual's 1947 dividend scale has been announced. It shows an increase for plans with a smaller ratio of death benefit to reserve and a decrease for plans with a larger investment element. Illustrative dividends are:

Ordinary Life		Ann.	1st	5th	10th	15th	20th
Age	Prem.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.
10	\$15.00	\$2.72	\$3.17	\$3.65	\$4.09	\$4.51	\$4.94
15	16.37	2.81	3.30	3.83	4.24	4.61	5.01
20	18.08	2.93	3.45	4.04	4.42	4.72	5.12
25	20.22	3.03	3.72	4.22	4.64	4.98	5.32
30	22.95	3.19	3.89	4.46	4.93	5.32	5.75
35	26.46	3.39	4.10	4.76	5.30	5.75	6.31
40	31.07	3.51	4.38	5.15	5.79	6.31	7.07
45	37.23	3.51	4.75	5.67	6.45	7.07	8.10
50	45.63	3.70	5.26	6.39	7.34	8.10	9.51
55	57.15	4.14	5.96	7.37	9.01	9.51	11.47
60	73.12	5.01	7.51	9.32	10.83	11.47	14.22
65	95.52	6.31	9.81	12.17	13.38	14.22	

20 Payment Life		Ann.	1st	5th	10th	15th	20th
Age	Prem.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.
10	24.38	2.72	3.17	3.65	4.09	4.51	4.94
15	26.01	2.81	3.30	3.83	4.24	4.61	5.01
20	27.94	2.93	3.45	4.04	4.42	4.72	5.12
25	30.24	3.03	3.72	4.22	4.64	4.98	5.32
30	33.01	3.19	3.89	4.46	4.93	5.32	5.75
35	36.37	3.39	4.10	4.76	5.30	5.75	6.31
40	40.55	3.51	4.38	5.15	5.79	6.31	7.07
45	45.91	3.51	4.75	5.67	6.45	7.07	8.10
50	53.08	3.70	5.26	6.39	7.34	8.10	9.51
55	62.93	4.14	5.96	7.37	9.01	9.51	11.47
60	76.91	5.01	7.51	9.32	10.83	11.47	14.22

20 Year Endowment		Ann.	1st	5th	10th	15th	20th
Age	Prem.	Yr.	Yr.	Yr.	Yr.	Yr.	Yr.
10	47.25	2.72	3.17	3.65	4.09	4.51	4.94
15	47.52	2.81	3.30	3.83	4.24	4.61	5.01
20	47.87	2.93	3.45	4.04	4.42	4.72	5.12
25	48.35	3.03	3.72	4.22	4.64	4.98	5.32
30	49.03	3.19	3.89	4.46	4.93	5.32	5.75
35	50.06	3.39	4.10	4.76	5.30	5.75	6.31
40	51.70	3.51	4.38	5.15	5.79	6.31	7.07
45	54.44	3.51	4.75	5.67	6.45	7.07	8.10
50	59.05	3.70	5.26	6.39	7.34	8.10	9.51
55	66.63	4.14	5.96	7.37	9.01	9.51	11.47
60	78.80	5.01	7.51	9.32	10.83	11.47	14.22

New England Mutual Will Continue Dividend Scale

New England Mutual will continue its present dividend scale for 1947. It will be the seventh consecutive year the present scale has been in effect. The

THERE'S LIFE IN THE BERKSHIRES



SKI BOUSQUET, PITTSFIELD, MASSACHUSETTS

Courtesy of A. Pease

The Berkshires . . . the favorite playground for summer and winter sport enthusiasts . . . is one of the most popular skiing centers of the East. Thousands . . . amateurs and experts . . . enjoy the swift downhill runs and long, beautiful cross-country trails. Fine accommodations for participation in the sport are available on private and public developments in almost every section of the Berkshires. Snow trains are run from Boston and New York and the highways are kept open to all areas.

THE BERKSHIRE LIFE INSURANCE COMPANY, now in its 95TH ANNIVERSARY YEAR, heartily endorses outdoor sports for their health-giving qualities. For security and peace of mind in future years, it suggests the Retirement Income Plan, which provides a necessary monthly life income when the insured is ready to retire from active business or professional life.

Berkshire

LIFE INSURANCE COMPANY

INCORPORATED 1851

HARRISON L. AMBER, President

PITTSFIELD, MASS.

— 95th ANNIVERSARY YEAR —



LIFE REINSURANCE

North American Reassurance Co.

LAWRENCE M. CATHLES, President

110 East 42nd Street

New York 17, N. Y.

A THREE-FOLD RESPONSIBILITY

Today's career life underwriters are faced with a three-fold responsibility.

1. To bring to as many American homes as possible the benefits of adequate life insurance protection;
2. To cooperate as a part of the institution of life insurance to combat inflationary talk and tendencies;
3. To counsel with all war veterans and urge that they retain their National Service Life insurance.

Upon the execution of this three-fold responsibility today depends, to a great extent, the prestige and increased usefulness of tomorrow's career life underwriters.

Equitable Life of Iowa

Founded 1867

HOME OFFICE

DES MOINES

PROOF O' THE PUDDING



"I'm finishing nine years with Capitol Life, the last two under our Q-V-S contract. I have made greater progress those two years than during all the other seven!"

"More generous rewards for efficient effort, plus stabilized income, must be the reason. I would never again work under the old type contract used by other companies."

J. E. GIBBS, Agency Mgr.,
Guthrie, Oklahoma.

Q... quality
V... volume
S... service

THE CAPITOL LIFE INSURANCE CO.

Clarence J. Daly, President
W. V. Woollen, Agency Vice President
Home Office: Denver 1, Colo.

\$12 million voted for dividends is about 42% greater than the amount voted when the present scale went into effect. At the annual meeting to be held Feb. 12 it is proposed to amend the by-laws, which have remained practically unchanged for 60 years.

Sunset Retains Old Scale

Directors of Sunset Life have announced that there will be no change in the dividend scale for 1947, and that the same scale of dividends will be used as in 1945 and 1946. There also will be no change in the 3% interest rate allowed in connection with optional settlements and dividends left to accumulate. Policyholders may deposit funds for the payment of future premiums and receive 3% interest on such funds. or 28% in salary increases.

National Managers Parley on Coast Is Being Shaped

Bert Hedges, B.M.A., Wichita, zone chairman of the general agents and managers division of N.A.L.U., held a conference at Chicago Sunday with several zone chairmen and officers of the Chicago managers group. Plans were discussed to promote the activity and identity of the national general agents organization. The importance of establishing new local units was emphasized and plans for holding area management conferences were reviewed.

Plans are shaping for the holding of a national management conference, perhaps within the next two months, on the coast.

The conferees included Lee Wandling, Equitable Society, Milwaukee; Paul Kaul, Omaha, and C. C. Jones, Connecticut Mutual, Indianapolis, zone chairmen; John Caffrey, John Hancock, president; W. E. North, New York Life, vice-president, and J. F. Ramsey, Connecticut Mutual, secretary Chicago managers organization.

A.I.U. Provides Cover for Occupation Personnel

U. S. policies covering the person and property of U. S. military and civilian personnel on occupation duty in Europe and the Far East and now being issued by American International Underwriters. A. I. U. has established branches at Frankfurt and Tokyo and additional service offices are to be opened in Germany and Japan and in Korea.

Coverages now available include personal property floaters, automobile, fire, and personal accident insurance, and life as well as the usual marine coverages on property en route overseas.

The operations in Germany are under the management of Welby E. Logan. Prior to the war he was with the Equitable Society and owner-manager of his own general agency for five years at St. Paul.

The Tokyo branch was opened early in October by John V. Rough, who flew there from Manila.

Colonial Boosts Clerks' Pay

Colonial Life has granted a salary increase equal to one month's salary to home office clerical employees. At the present time, these employees receive their salaries semi-monthly. Henceforth they will be paid bi-weekly. Colonial Life has granted to its home office clerical employees, since Oct. 1, 1945, a total

Ramsay to Entertain Staff

John A. Ramsay, general agent of Connecticut Mutual Life, Newark, was host to his office staff at a luncheon and on Dec. 30 will give a dinner to his entire agency staff.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Bankers Assn. Disclaims Connection with Promoter

The American Bankers Association's "Protective Bulletin" in its December edition states that the A.B.A. has no connection whatsoever with the Indiana insurance promotions of Wesley Temple. Just the other day Temple announced that he was transferring his promotional activities to another state. He was undertaking to organize American Bankers Ins. Co. and American Bankers Life. He was designated as chairman of the organization committee of American Bankers Insured Loan Plan, Pennway building, Indianapolis. Shares, according to the literature were to be offered initially only to junior and senior officers and directors of banks at \$6 a unit of the capital stock of the two projected insurers.

According to the "Protective Bulletin" the literature listed 79 bank officers who were described as having been "nominated" to an advisory committee.

"Protective Bulletin" states that all bankers should understand that A.B.A. had no knowledge of Wesley Temple prior to announcement of this plan in October and that his scheme has no connection with A.B.A. and he has no authority from the association to use the words "American Bankers" or to imply any connection with A.B.A.

A.B.A. sent out an inquiry to the "nominees." Forty replied they had no knowledge of American Bankers Insured Loan Plan and did not consent to the use of the names. Nineteen replied that they had heard something of the plan, but did not consent to use of their names. One of the "nominees" has been dead for two years.

The "Protective Bulletin" states that a press release in October quoted Temple as saying that the comptroller of the currency and 29 state banking commissioners had endorsed the plan "as filling a need for banks who have established installment loan departments."

"Protective Bulletin" stated that it inquired at the office of comptroller of currency and discovered that no one there had any prior knowledge of the plan. The same is true of the replies thus far received from 33 state banking supervisory authorities.

Bulkeley Is Retiring

HARTFORD—W. E. A. Bulkeley, vice-president, auditor and a director of Aetna Life, has asked that his name not be submitted for reelection at the annual meeting in February. His decision to retire is prompted by ill health.

A grandson of Eliphalet Adams Bulkeley, founder of the Aetna organization, Mr. Bulkeley has himself been associated with Aetna Life since Oct. 1, 1938. His father was also its auditor for many years.

Grubb Now with Pilot Life

B. H. Grubb, formerly manager of Pittsburgh for Jefferson Standard Life, now is general agent at Richmond for Pilot Life. He has just procured office in the Schmidt building.

Occidental Again Pays Bonus

Occidental Life this year again gave employees a Christmas bonus in Christmas week. Eligibility rules were liberalized and the company paid an amount equal to one-half month's salary to employees with salaries not in excess of \$250 per month and with 12 months of more continuous service. Those with less service received proportionately smaller amounts based on their period of employment.

The Walker Insurance Agency, Salt Lake City, general agent of Mutual Benefit Health & Accident and United Benefit Life, held a Christmas party. The agency had over \$4 million new life business, setting a record of \$1 million of sales in the "managers' contest" in October and November. George Edwards, Price, Utah, is sales leader for the year in both life and accident insurance.

No Family Income Payments Under Extended Insurance

The provision in a family income policy that when the contract goes on extended insurance, the insurer's liability is limited to the principal sum and the monthly payments are not recoverable, was adjudicated in favor of the insurance company by the St. Louis court of appeals in *Ashburn vs. Sun Life of Canada*.

The policy for \$5,000 was taken out in 1932 at Statesville, N. C. It provided that in addition to the principal sum, there would be paid a monthly income of \$50 through December, 1951 if the assured should die prior to that time. The defendant failed to pay the premium due May 28, 1937 and the policy went on extended term insurance for a term to expire Jan. 28, 1940. The assured died Aug. 14, 1947.

The court rejected all of the arguments of the beneficiary. Among other things she contended that Sun Life had followed a course of conduct in accepting premiums late on six occasions which was sufficient to estop the company from declaring a forfeiture. The court stated there was no evidence that would authorize the holding that Sun Life waived or is estopped to assert any of the provisions of the policy on which it bases its defense.

Los Angeles Agent to Prison

LOS ANGELES—Willard W. Selleck, life agent, has been sentenced on four counts of grand theft and one of forgery to five terms in San Quentin state prison, to run concurrently, of from one to 10 years.

He pleaded guilty to having secured forged loans on life policies of clients, and to forging signatures on checks secured on the loans. The total amount secured over about 10 years was about \$45,000.

The deals were made possible by having all mail in connection therewith sent

to a postoffice box as a false address of the policyholder, to which Selleck had access.

Parents Recover; Ex-Wife Won't Give Up Policy

The Federal court for the western district of Missouri has directed that the proceeds of a \$1,000 policy in Phoenix Mutual Life be paid to the parents of a marine who lost his life in the attack at Guam rather than to his divorced wife who had possession of the policy. The case was *Phoenix Mutual Life vs. Cummings et al.*

James D. Cummings was the assured. His wife, Mildred E. Cummings, was the named beneficiary. While he was on active military duty in 1943 she got a divorce and subsequently remarried.

About two months before his death, James Cummings executed a "soldier's will" and sent it to his father saying, among other things, that he wanted his parents to have his insurance.

Parents Contend 'Soldier's Will'

The parents contended that the document executed by their son was a "soldier's will" and was a sufficient designation of them as beneficiaries so as to entitle them to recover the proceeds of the policy. They assert that their son, during his lifetime, demanded surrender of the policy from his ex-wife so as to have the beneficiary changed, that she refused to do so, and that had she done so, they would have been named as beneficiaries. They went on to contend that their son was prevented from doing so by the willful acts of his ex-wife.

The court stated that the statements contained in the "soldier's will" are not testamentary in character, but they are competent evidence of his unequivocal intention concerning such insurance. It is patent that he did not intend his ex-wife to receive the benefit and it is conclusive that he wanted his mother and father to be the beneficiaries. The positive unequivocal expression of his intention to change the beneficiary, together with his expressed desire as to who should be the recipients of his property is more than persuasive that the parents are his intended beneficiaries. The son did all that he reasonably could have done to have his parents designated and in equity and good conscience they are entitled to the proceeds.

Lutheran Mutual Training School

The first training school for agents was held at the home office of Lutheran Mutual Life this month with 14 agents from eight states attending. Classes were held daily from 9 to 5 and there were two evening meetings. The company plans to hold similar schools in the future.

General Agents Gather

The General Agents Assn. of Pacific Mutual Life will hold its annual meeting Feb. 3-6 at Los Vegas, Nev. One of the important subjects up for discussion is the production of new business. In the operation of Pacific Mutual the general agents take an important part in determining matters of policy.

Hazen Exeter, Salt Lake City, is president; Earle S. Rappaport, Chicago, executive committee chairman; Malcolm White, Oklahoma City, secretary, and Walter Hoefflin, Seattle, vice-president.

Mornings will be devoted to business sessions at the meeting and afternoons to recreation.

W. G. Trump, retired general agent for Midland Mutual Life at Dayton, and Mrs. Trump celebrated their 56th wedding anniversary. Mr. Trump was one of the first general agents appointed by Midland Mutual. When he retired several years ago, his son, Paul C. Trump, succeeded him.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Auld Lang Syne

At the close of this great insurance year the Field Representatives and Home Office Personnel of the Beneficial Life Insurance Company wish to thank their many friends in the life insurance business for their association. We appreciate the good fellowship and cooperative spirit which is found throughout this industry.

To each and everyone of you we desire to extend our best wishes for a healthful and prosperous New Year, and happiness in serving others through life insurance.

BENEFICIAL LIFE
INSURANCE COMPANY

GEORGE ALBERT SMITH, President

SALT LAKE CITY, UTAH

An Insurance Authority Once Said:

"Insurance Salesmen should never limit themselves to the sale of Life Insurance only and vice-versa."

POSTAL LIFE offers you the OPPORTUNITY to take care of your prospects and policy holder's problems completely.

L. H. G., one of our agents added over \$2000 to his 1943 INCOME on his ACCIDENT & HEALTH business.

POSTAL LIFE offers LIFE, ACCIDENT, HEALTH and HOSPITALIZATION contracts. Don't overlook the opportunity to earn these additional commissions and renewals.

Openings in MISSOURI, KANSAS, IOWA and NEBRASKA.

For information WRITE

O. R. Jackson, Vice-President

POSTAL LIFE & CASUALTY
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"An Old Line Legal Reserve Life Insurance Company"

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SEEING IS BELIEVING!

Have you ever seen an insurance salesman who had something truly desirable to offer his prospects. Something new and different in the form of life insurance?

If you have, then you've probably seen the men of Anico. They're naturally keyed up to a high selling tempo, because men of Anico are also building a bright new future for themselves.

Here's an opportunity for you to look towards a secure, prosperous future with a 40 year service company behind you. Write or telephone Anico today!

OVER A BILLION *Now* \$1,450,000,000 INSURANCE IN FORCE

American National
INSURANCE COMPANY

GALVESTON, TEXAS - W. L. Moody, Jr., President

A LEGAL reserve fraternal life insurance society for all Lutherans on 3% American Experience reserve basis. Twenty-eight years old—\$138,755,513.00 in force. Mortality experience 1945—32.70%. Rate of assets to liabilities—109.13%.

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Our new agents' contract, with retirement program, has been enthusiastically received by our agency force.

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Address your letter of inquiry to
THE SUPERINTENDENT OF AGENCIES

LUTHERAN BROTHERHOOD

LEGAL RESERVE LIFE INSURANCE FOR LUTHERANS
Herman L. Ekern, President
606 Second Ave. So., Minneapolis 2, Minnesota

Openings for Agents in Several Good States. Complete portfolio popular policies:

Life
Health and Accident
Hospital Expense

Generous commissions and bonus

• • •

The Standard LIFE Association
Lawrence, Kansas
Founded 1896

"Since 1868"—the best in Life Insurance Service for Catholics

CATHOLIC FAMILY PROTECTIVE LIFE ASSURANCE SOCIETY
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Whole Family Life Insurance for Catholics

A SIGN YOU CAN BELIEVE IN
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SECURITY • PROTECTION • GOOD FELLOWSHIP
A member of the National Fraternal Congress
319 W. Jackson Blvd., Chicago

THE WOMAN'S BENEFIT ASSOCIATION
Founded 1892
A Legal Reserve Fraternal Benefit Society
Bliss West Miller, Supreme President
Frances D. Partridge, Supreme Secretary
Port Huron, Michigan

N. F. C. Committees Are Appointed

Standing and special committees of the National Fraternal Congress were announced this week by Mrs. Clara B. Bender, the president, who is secretary of Degree of Honor, St. Paul.

Chairmen of the regular committees are: State of orders and statistics, J. B. Baker, president Maccabees, Detroit; law, Frank H. Lee, general counsel Woman's Benefit, Port Huron, Mich.; ethics, Mrs. Dora Alexander Talley, head of Woodmen Circle, Omaha; junior membership, Thomas R. Heaney, high chief ranger Catholic Order of Foresters, Chicago; public relations, Norton J. Williams, president Equitable Reserve, Neenah, Wis.; lodge activities, Miss Frances D. Partridge, secretary Woman's Benefit; general welfare, Mrs. Bertha C. McEntee, head of Ladies Catholic Benevolent, Erie, Pa.; revision of blanks, F. J. Gadiant, actuary Modern Woodmen, Rock Island, Ill.; field work, H. A. Mitchell, Standard Life, Lawrence, Kan.; security valuations, John C. Faulkner, Royal Neighbors, Rock Island; membership, Fred A. Johnson, head of Royal League, Chicago; Fraternal Week, F. B. Mallett, Protected Home Circle, Sharon, Pa.

Herman L. Ekern of Chicago, president Lutheran Brotherhood, is chairman of the special all-insurance industry committee, and Farrar Newberry, president Woodmen of the World, Omaha, of the special committee for increased legislative service.

Johnson Tells Why Code Is Delayed

ST. PAUL — A misunderstanding, rather than a disagreement, is holding up the new uniform fraternal code, Commissioner Johnson stated in a frank talk at the annual meeting of the Minnesota Fraternal Congress here Saturday. He had just returned from the commissioners' meeting in New York where the code was the subject of somewhat heated discussion.

Mr. Johnson was inclined to believe that much of the trouble is due to the fact that some commissioners believe there are two types of fraternal, those that are true fraternal, with lodge meetings and social objectives, and the so-called "commercial" fraternal. The Minnesota law, he said, requires that a fraternal hold regular meetings and this is not done by some which are more interested in business production than in fraternalism, he said.

The "open" contract is another sore point with some commissioners, he reported. This is the provision in certificates that if necessary to maintain solvency of the society, members may be assessed an amount in excess of the normal premium. It is a fundamental principle of fraternal, and they consider it to be an advantage to members and a talking point in sales. It is contrasted with the closed contract of old line companies which does not permit charging more than the stated premium.

"Some day a plan will be devised that will be satisfactory to all concerned but until that is done there is bound to be some friction," Mr. Johnson said. He emphasized the commissioners are not opposed to fraternalism.

B. W. Wacholtz, Equitable Reserve, was elected president to succeed Mrs. J. Marie O'Brien, Royal League. Mrs. Luella Ives, Royal Neighbors, was re-elected secretary-treasurer.

Fidelity Withdrawing from Ohio

Fidelity Life of Fulton, Ill., has notified the Ohio insurance division it will not renew its license in that state.

Dr. John Medical Director of Maccabees

Dr. Hubert John has been appointed medical director of Maccabees and has assumed his new duties. He succeeds Dr. H. E. Wiley, who resigned to become medical director for Southwestern Life, Dallas.

Dr. John previously was assistant medical director of Maccabees under Dr. Hanchett in the period 1924-1928, then went abroad to continue his medical studies.

He has had 30 years of general practice and experience as examiner for many old line companies and fraternal.

He is a veteran of the first world war, having entered service immediately after receiving his medical degree from University of Michigan and completing internship in the Troyville city hospital, Louisville. He was attached to base hospital 1 during 14 months in overseas service, and resumed private practice in 1919.

Maccabees reports in the first 11 months new business volume amounted to \$42,843,242, an increase of \$7,579,181 over the entire year 1945.

A large share of the new business this year has been on the lives of children under age 16. There have been five months this year in which junior production equaled or exceeded \$1 million. The junior business now totals more than for any entire year in the history of Maccabees.

Gierke Leads Aid Assn.

John F. Gierke of the W. F. Schultz agency of Aid Assn. for Lutherans in Illinois sold \$100,500 of new business in November, increasing his total for the 11 months to \$835,500. He was the

society's leading field representative for 1946.

Total new business in the society for 11 months was \$47,342,937, an increase of 65%. November new business was \$4,152,776, an increase of \$1,009,632. November was the ninth consecutive month in which new business exceeded \$4 million.

Adult insurance sold in November totaled \$3,130,426 and juvenile \$1,022,250, the latter being 24.6% of total new production. The average adult policy was \$2,278 and average for juvenile \$1,001.

Becomes E. R. A. Official

NEENAH — Leon H. Tolversen of St. Paul, for eight years assistant secretary of Production Credit Corp., has become manager of the mortgage loan department of Equitable Reserve Assn., Neenah, Wis.

Daniel D. Macken, 64, chief actuary of Woodmen of the World Life of Omaha, who died following a cerebral hemorrhage, had served as president of Fraternal Actuarial Assn. in 1931, and was chairman of the fraternal mortality committee the past three years.

Mr. Macken attended Denver School of Mines and Denver University. After going to Omaha 31 years ago and joining the auditing department of Woodmen Society, he attended University of Omaha. He was promoted to assistant actuary of the society in 1917, and within a short time was named chief actuary. He was a veteran of the Spanish-American war. He was president of the Omaha chapter, Sons of the American Revolution, in 1945. In 1940, he contributed his services to the city of Omaha to estimate fire and police department pension costs and put them on a sound actuarial basis.

Mr. Macken's son, Daniel D., Jr., is associate actuary of World of Omaha.



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Excellent territory in Illinois, Michigan, Minnesota and Wisconsin. Write for information.

Equitable Reserve Association
Neenah, Wisconsin

Life Insurance in Reconversion Period Has Notable Gains

(CONTINUED FROM PAGE 2)

a nonadmitted insurer although the state's denial of license took place before the effective date of the McCarran act. The court held, first, that the state had the right to enact and enforce licensing laws and, second, that it could require foreign insurers seeking to do business therein to maintain minimum reserves for the protection of policyholders in the state even though such insurers were engaged in interstate commerce.

Social Security Act Changes

Following an interim committee's study of over-all costs of present coverages under the social security act, as well as proposed new ones, the House ways and means committee held extended hearings thereon last winter. The cost estimates presented were so high that the committee postponed action on a broad scale revision such as was contemplated by the Wagner-Murray-Dingell bill. Further interim studies of the subject by congressional committees were authorized. Shortly before its mid-summer adjournment, Congress voted to freeze the social security pay roll taxes at 1%, without which action the rate would have risen to 2½%.

During the hearings on proposed coverage for total disability, the yearly cost of which was estimated at more than a billion dollars, the ways and means committee was favorably impressed by the recommendations of the Brookings Institution for disability coverage on an actual needs basis, rather than the Wagner-Murray-Dingell formula for compulsory coverage. Such a needs basis or test would be somewhat similar to that used for old age assistance and would result in a considerable reduction in the case load and cost.

Railroad Retirement Amendments

Practically reversing its stand on social security act revision, Congress, in an eleventh hour decision, passed the Crosser bill, which broadly liberalized retirement privileges for railroad employees under the railroad retirement act. Such benefits will be about 25% higher than those provided in the social security act, and will be available to a railroad employee attaining age 60 or who has completed 30 years of service. The bill also provided disability benefits of like amount for an employee disabled from working in regular employment, who has 20 years of service and has attained age 60. Maternity and sickness benefits were also provided.

Employer and employee pay roll taxes under the Crosser bill were increased on each from the present 3½% to 5¼% in 1947 and 1948, to 6% from 1949 to 1951, and to 6¼% after 1951. Such pay roll taxes are in addition to the present 3% pay roll tax on employers for unemployment compensation.

At the time of passage of the Crosser bill, there was some apprehension that the bill might set a pattern for future social security act revision, but that view has since been largely dispersed. It is now generally conceded that the railroad workers got a "break" through the hurried last-minute action of Congress in approving the measure.

National Service Life Insurance

During the past year agents of all companies united in efforts to conserve as much as was possible of World War II veterans life insurance. Despite such efforts the total coverage of National Service Life Insurance dropped almost \$100 billion to \$35 billion. At the same time, Congress liberalized designations in line with the usual policy contracts of private life insurance companies. Authority was granted for inclusion of disability benefit provisions upon payment of extra premiums.

There was a noticeable leveling off

during the year in placements of new pension trusts and profit sharing plans, due partly to the delayed reconversion of many industries.

Some concern has been felt about increased lapsation of such plans, but no definite trend in that direction has appeared. Most specialists in this field are inclined to believe there will be relatively few outright abandonments of such programs, and the disposition will be to improve and strengthen existing plans by amendment in line with the changed conditions facing both employer and employee. As a general rule, termination of a plan must be a matter of "business necessity" in order to relieve the employer of possible retroactive taxes and penalties on deductions taken for contributions.

In a productive economy there is every reason to believe that a good volume of pension trusts and profit-sharing plans will be developed and placed. The experience of recent years should prove helpful in preparing sound new programs.

Important conferences in Philadelphia and St. Paul were sponsored by the U. S. Chamber of Commerce, at which pension plans were discussed from many angles. The comparative merits of the uninsured trustee plan, group annuity, group permanent and the individual policy pension plan were scrutinized by the experts present. The advantages of extending or integrating such plans with social security act benefits were shown.

FIELD OPERATIONS

On the credit side of the ledger of life insurance operations must be placed the high degree of efficiency attained by the nation's life underwriters.

The long and tireless efforts of agency executives and the organized groups—National Assn. of Life Underwriters and Life Insurance Agency Management Assn.—to educate and train the life insurance agent have secured for him a new and friendlier attitude on the part of prospective buyers, as well as old clients.

Giving further force and effect to the growing movement, there was launched the past year an education and training plan for agents through creation of the joint committee on education and training sponsored by the organizations referred to and American Life Convention and Life Insurance Assn. of America.

The steady growth in membership of the National Assn. of Life Underwriters reaching the 48,895 mark at the year-end attests strongly to its popularity and worthiness.

Policy Loan Interest

Adoption of an original and unique interest rate structure on policy loans by Mutual Life jarred its contemporaries somewhat last summer. It was announced that effective Sept. 1, 1946, the rate on the first \$750 of a loan would be 5%; on the second \$750, 4%; and on any amount in excess of \$1,500, 3%. Several reasons were given for the new rates, but foremost was the company's idea of recapturing its old policy loan business.

Public relations, as conducted by the Institute of Life Insurance, is winning high praise within the business and from many other segments of American industry.

To acquaint the public with the facts about life insurance—what the business is and how it is done—in a simple and straightforward way, has been the Institute's major objective since its inception. This good-will effort has been growing steadily and has gone far in winning for life insurance its present public support and acceptance.

The institute's nation-wide emphasis

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Thanks to our Field Force, gains have
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on thrift has been a motivating force in preventing inflation and undoubtedly has accounted for some of the billions of new life insurance, as well as the conservation of much existing business. The worth of its undertaking is incalculable.

The Coming Era

The power to control prices and wages, while the most inclusive of all war measures, was only a part of a broader system of emergency regimentation, much of which still remains on the statute books.

The formal surrender of our war-time enemies meant only that the fighting had stopped. The war will not be over until either the President proclaims it at an end or it is terminated by Congressional resolution. A proclamation is looked for early in the new year. Some of the emergency powers would cease at that time, while practically all of the remaining ones will end six months after the official termination. The new Congress may take a hand and act to end such powers earlier.

It is heartening to know that the time is soon coming when the economy of the country will be free of all war emergency controls. The American people have made it abundantly clear that they prefer to get along with less government in their daily lives. They believe in the four freedoms and in a fifth—the freedom of opportunity.

Life insurance functions best in a free system. It has grown to its present

stature because the people have implicit faith in it and wish to share in its broad social services.

For over 100 years the business of life insurance has fully performed its trust to the millions of policyholders and beneficiaries it has served. In that period life insurance as an institution has furnished ample proof of the efficacy of private enterprise to build a greater and better America.

A high level of business activity and national income seems assured for some period ahead. A few isolated business reverses would not greatly disturb the otherwise favorable conditions that prevail. In an expanding productive economy the opportunity of life insurance for public service will be enhanced and the market for life insurance will flourish accordingly.

Mutual's Policy Loan Plan Wins Business from Banks

(CONTINUED FROM PAGE 1)

more economical for him than a "discount rate" of the same figure. For example, a discount rate of 3%, with the loan being paid off in equal monthly installments over a one-year period is equal to a true interest rate of 5.8%; if the pay-off period is 18 months, it becomes the equivalent of a true interest rate of 6.03%; while if it is 24 months the true interest rate becomes 6.18%.

Even if there is no amortization a discount rate of 3% is equivalent to a true interest rate of 3.09%.

A few of Mutual's policies issued prior to 1906 provide for interest payable in advance. Interest on loans on these policies is adjusted so that it is equivalent to the true interest rate on the new basis or else the company will on request endorse the policy so that loan interest is payable at the end of the year instead of at the beginning.

Few Commission Agents Apply for Social Security

(CONTINUED FROM PAGE 1)

year old wife or widow's benefit, because in order to draw them the individual must be fully insured.

However, the agent who establishes coverage during 1947 will be held "currently insured" and eligible for some benefits. The term "currently insured" means that the individual at time of death was in covered employment not less than six of the twelve calendar quarters preceding the one in which he died.

Advantages of Full Cover

Upon the death of a man fully insured, his widow receives a lump sum payment plus monthly payments upon reaching 65. If deceased is only in the currently insured category, she will receive only the lump sum. The widow or children under 18 receives a lump of a fully insured individual with child sum payment plus monthly payments for the children. If the deceased was only currently insured she receives only the lump sum.

The whole situation is clouded by an anomaly. The social security board's definition of an employee eligible for social security is so broad as to include every life insurance agent. The Treasury department, which through its Bureau of Internal Revenue, makes collection of taxes from the agent and his employer, on the other hand, adheres to the old master-servant relationship and has so far refused to recognize the commission life insurance agent as an employee. This position results merely in non-collection of taxes from either the agent or the employer even after the social security board has found the agent to be covered under the act. There are indications, however, that in the face of strong pressure from many sides, the Treasury department will modify its definition to include the life insurance commission agent.

There are a number of companies which pay salaries to agents and these agents naturally have been under the act and taxes have been deducted from their salaries. Some companies retain new agents on salary basis and when their writings become substantial switch them to commissions.

Retroactive Taxes

Then there is a feeling that all commission agents will be presently placed under social security whether they wish to be or not. By establishing eligibility and wage records back to 1942 by Dec. 31, the agent can avert further dilution of his benefits. The most potent disadvantage is that if the Treasury department changes its position and holds the commission agents to be an employee for OASI tax purposes he might very well be held as an employee for withholding and other income tax purposes. This would probably result in the loss of otherwise allowable deductions which the agent can claim as an independent contractor. This might also apply to state income tax laws.

In addition, there is doubt whether the OASI benefits paid to a retired agent after 65 would have deducted from them amounts the agent receives in any

month of over \$15 in renewals or persistency or service commissions. This will be a point of considerable controversy and each case will have to be decided on its own merits.

There is quite a possibility that a claim for present and past OASI taxes might arise with respect to both the agent and the company due to a change in Treasury department position. Of course, at present no taxes are collected from either the company or the agent, but they might be made retroactive. The question arises as to just how current taxes will be collected after the back tax has been paid up.

Social security benefits might affect the agent's rights under the pension plan of his own company. Already some pension plans provide for a reduction of benefits to the extent of social security payments and others might be so revised.

Even though the present decisions of the social security board do not necessarily establish the commission agent as an employee for all purposes, they dent the traditional agent's position that he is an independent contractor. There is also the possibility of involvement under the National Labor Relations Act and other laws affecting employees.

One social security regional director reports that some of the life agents who have had OASI status established through his office have requested that this be done without notification of their companies. This is possible. Although the statement of wages from the agent's company is regarded as primary evidence, the board also accepts the secondary wage statement of the agent as a valid base. This same official reports that a number of the life insurance companies exercise their right to ignore social security board requests for wage data on agents who have applied for the coverage. These companies apparently don't want to be involved in any move which would lend support to definition of the commission agent as an employee.

Some companies have sent detailed instructions to their managers and general agents as to how commissions can be reported to the social security board and still make it clear that these men are regarded as non-employees by the company and by the agency. On the other hand, the number of companies placing all their agents on social security on a salary or part salary basis is reportedly increasing.

Seek Wider Exemption, Amendments in California

SAN FRANCISCO—California men will seek two amendments to state laws at the coming session of the legislature, it is reported. One amendment is to increase the amount of exemption in life policies subject to attachment of executions and another to amend the income tax law to increase the exemption subject to take under that law.

Representatives of the California Association of Life Underwriters indicated they are not overly-enthusiased for the most agents' qualification bill sponsored by the N.A.L.U. It was suggested that the state's present provisions are adequate with the possible exception of elimination of the temporary license. Life men also were of the opinion that the bill sponsored by Occidental Life to amend the section regarding "head of the family" in the group disability provision "goes too far," although they did oppose the general idea of making the wife the head of the family where the husband is either uninsurable or has insufficient coverage.

Ernie Gutterson, for the last 12 years superintendent of ordinary agencies of American National, has resigned to become president of National Wholesale, Inc., an organization of automotive supply dealers in five middle-western states with headquarters in St. Paul.

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How much paid circulation? How much unpaid? What business or occupational groups receive the paper and how many paid subscribers in each group? At what price is the publication sold? What circulation inducements are used, if any? What percentage of the subscriptions are renewed? How many subscriptions in arrears?

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